



ASX ANNOUNCEMENT

7 JULY, 2014

PILBARA MINERALS LIMITED SHARE PURCHASE PLAN – OFFER DOCUMENT

Pilbara Minerals Limited (ASX: PLS) (Company) announced on 30 June 2014 that eligible shareholders would be offered the opportunity to participate in a Share Purchase Plan (**SPP**).

Attached to this announcement is the SPP Offer Booklet containing the Chairman's letter and the Terms and Conditions of the SPP.

Under the Terms and Conditions of the SPP, eligible shareholders on the Company's register at 5.00pm (Perth time) on 4 July 2014 with registered addresses in Australia or New Zealand will be offered the opportunity to apply for up to \$15,000 worth of ordinary fully paid shares in the Company without incurring brokerage or transaction costs.

The SPP Offer Booklet and Application Form are in the process of being sent to eligible shareholders. Eligible shareholders will also be able to download a personalised Application Form through the Company's Share Registry's website at www.advancedshare.com.au. Eligible shareholders will be required to log in with their HIN or SRN.

The SPP offer opens 9 July 2014, and closes at 5.00pm (Perth time) on 23 July 2014. Further details are in the attached SPP Offer Booklet.

The SPP is not underwritten. The Directors of the Company reserve the right to place any shortfall under the SPP in their absolute discretion at a price not less than the price of the shares being offered under the SPP.

If you have any questions in relation to the SPP please call your broker, accountant or professional adviser. If you require information on how to download or complete the Application Form please contact the Share Registry on 08 9389 8033 (Australia) or +61 8 9389 8033 (International).

IMPORTANT NOTICE

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7 July 2014

This is an important document that requires your attention.

Dear Shareholder

Share Purchase Plan – Eligible Shareholders may purchase parcels of fully paid ordinary shares up to a value of \$15,000

On behalf of Pilbara Minerals Limited (**Pilbara Minerals**), I am pleased to offer you the opportunity to increase your investment in Pilbara Minerals through a Share Purchase Plan (**SPP**).

The funds raised under the SPP are to be used to fund the development of Pilbara Mineral's projects, including the Tabba Tabba tantalum project and for working capital purposes.

Share Purchase Plan

The amount that each Eligible Shareholder can apply for under the SPP is capped at \$15,000.

The SPP is being offered to Australian and New Zealand Shareholders at the issue price of \$0.015 per share.

The SPP is offered exclusively to all Eligible Shareholders, being registered holders as at 5.00pm (Perth time) on 4 July 2014 (**Record Date**) with a registered address in Australia or New Zealand who meet certain other conditions as set out in the Terms and Conditions.

The SPP provides Eligible Shareholders with an opportunity to buy a parcel of New Shares valued at \$1,000, \$2,000, \$5,000, \$10,000 or \$15,000.

The SPP opens today and is expected to close at 5.00pm (Perth time) on 23 July 2014.

Participation in the SPP is entirely voluntary. No brokerage costs apply to purchases under the SPP. The issue of New Shares is expected to occur on 30 July 2014.

The total number of New Shares to be issued under the SPP is capped at 117,590,178, being 30% of the number of fully paid ordinary shares of Pilbara Minerals on issue before the SPP. The maximum amount to be raised under the SPP is therefore limited to approximately \$1,763,853 (before costs). If applications from Eligible Shareholders under the SPP exceed the maximum amount, Pilbara Minerals reserves the right to scale back applications on a pro rata basis.

How to accept this offer

To apply for New Shares under the SPP, please follow the instructions on the enclosed personalised Application Form.

This letter and its attachments set out the details and Terms and Conditions of the SPP. I encourage you to read the enclosed material and seek your own financial advice in relation to the SPP, before you decide whether to participate.

On behalf of the Board, I invite you to consider participation in the SPP.

Yours sincerely

Mr Tony Leibowitz
Chairman

Key Dates

Date	Details
4 July 2014	Record Date 5.00pm (Perth time) The date on which the Company determines Eligible Shareholders.
9 July 2014	Dispatch Date The date on which this Offer Document and the Application Forms are dispatched to Eligible Shareholders
9 July 2014	Opening Date The date on which the SPP opens.
23 July 2014	Closing Date The date on which the SPP closes. Applications and payments must be received by 5pm (Perth time).
30 July 2014	Issue Date The date New Shares are issued and any scale back is announced.
31 July 2014	Dispatch of holding statements
31 July 2014	Quotation of New Shares on ASX

The above dates are indicative only and are subject to change.

Further assistance

If you have any questions in relation to the SPP please call your broker, accountant or professional adviser. If you require information on how to complete the Application Form please contact the Share Registry on 08 9389 8033 (Australia) or +61 8 9389 8033 (International).

Foreign Jurisdictions

The SPP does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or any other country outside Australia and New Zealand. The SPP has been prepared for distribution to shareholders with registered addresses in Australia and New Zealand only and may not be released or distributed elsewhere.

TERMS AND CONDITIONS

IMPORTANT NOTICE: The offer to purchase New Shares under this SPP is not a recommendation to purchase shares in Pilbara Minerals. If you are in any doubt about whether or not, or the extent that, you should participate in this SPP, you should obtain professional financial and/or taxation advice to assist you (taking into account your own financial situation, needs and objectives). Nothing in these Terms and Conditions, the Application Form or any other accompanying documentation constitutes investment or financial product advice or is intended to influence your decision whether or not to participate in the SPP.

If you apply to participate in the SPP by making a BPAY® payment or completing and returning the Application Form with a cheque or money order, you are accepting the risk that the market price of shares in Pilbara Minerals may change between the Opening Date, the date on which you send in an Application Form or make a BPAY® payment and the Issue Date. This means it is possible that, up to or after the Issue Date, you may be able to buy shares in Pilbara Minerals at a lower price than the Issue Price.

The terms and conditions of the Pilbara Minerals Limited Share Purchase Plan (**SPP**) are below. These terms and conditions are binding on any eligible shareholder completing a Share Purchase Plan Application Form or applying via BPAY. The Application Form forms part of this document.

1. SPP

- (a) The SPP is an invitation to Eligible Shareholders by Pilbara Minerals Limited (**Pilbara Minerals**) to subscribe for fully paid ordinary shares in Pilbara Minerals (**New Shares**) at the Issue Price (see clause 5) per New Share.
- (b) The minimum application amount under the SPP is \$1,000.
- (c) The amount an Eligible Shareholder can apply for will be restricted to a cumulative total of \$15,000.
- (d) The SPP is conducted under ASIC Class Order CO 09/425.
- (e) You are not obliged to accept or otherwise participate in the SPP. Participation in the SPP is optional.
- (f) The SPP is made to each Eligible Shareholder on the same terms and conditions.
- (g) The offer under the SPP is non-renounceable, which means you may not transfer your right to apply for New Shares under the SPP to anyone else.

2. Opening and Closing Date of the SPP

The SPP opens on 9 July 2014 and is scheduled to close at 5.00 pm (Perth time) on 23 July 2014. Pilbara Minerals reserves the right to change the closing date of the SPP. No late applications will be accepted.

3. Eligible Shareholders

- (a) You are eligible to participate in the SPP (**Eligible Shareholder**) if you were a registered holder of fully paid ordinary shares in Pilbara Minerals (**Shares**) at 5.00pm (Perth time) on 4 July 2014 (**Record Date**) whose address in the security register of Pilbara Minerals is in Australia or New Zealand unless:
 - (i) you hold Shares on behalf of another person who resides outside Australia or New Zealand and do not hold Shares in any other capacity;
 - (ii) you are resident in the United States or acting for the account or benefit of a person resident in the United States; or
 - (iii) you are ineligible to participate in the SPP because of the aggregate limit explained in clause 4.
- (b) (**Single Holders**) If you are the only registered holder of Shares, but you receive more than one offer under the SPP (for example, due to multiple registered holdings), you may only apply for one maximum parcel of New Shares up to the value of \$15,000.
- (c) (**Joint Holders**) If you are recorded with one or more other persons as the joint holder of Shares, that joint holding is considered to be a single registered holding for the purposes of the SPP and, subject to the conditions of eligibility set out in this clause 3, the joint holders are entitled to participate in the SPP in respect of that single holding only. The certification under clause 11(d) by one joint holder will be effective in respect of the other joint holder(s). If the same joint holders receive more than one offer under the SPP due to multiple registered holdings, the joint holders may only apply for New Shares up to a maximum of \$15,000.
- (d) (**Custodians, Trustees and Nominees**) If you are a custodian within the definition of 'custodian' in ASIC Class Order CO 09/425 and you are a registered holder of Shares on behalf of another person (**Beneficiary**) and you apply to acquire New Shares on behalf of the Beneficiary, you must certify in writing to Pilbara Minerals a number of matters relating to such beneficiaries (**Custodian Certificate**).
- (e) If you are a custodian please contact the Share Registry to obtain the form of Custodian Certificate that you are required to submit.
- (f) If you are a custodian and you hold shares or interests jointly on behalf of two or more persons, the \$15,000 limit applies jointly in relation to those persons as if you hold the shares or interests on behalf of a single person.
- (g) If you hold Shares as a trustee or nominee for another person, but are not a 'custodian' as defined above, you cannot participate for Beneficiaries in the manner described above. In this case, the rules for multiple single holdings (above) apply.
- (h) Nominees and other registered holders of Shares that are acting on behalf of a person in the United States or any other country outside Australia and New Zealand must not (i)

send this document or any other document relating to the SPP to any person in the United States or any other country outside Australia and New Zealand or (ii) purport to exercise rights under this offer on behalf of a person in the United States or any other country outside Australia and New Zealand.

- (i) If you are an Eligible Shareholder, your rights under this offer are personal to you and are non-renounceable, which means you cannot transfer your rights to another person.

4. How much can you invest?

- (a) Applications under the SPP may only be made for the following amounts:

Total \$	\$1,000	\$2,000	\$5,000	\$10,000	\$15,000
New Shares	66,666	133,333	333,333	666,666	1,000,000

- (b) Eligible Shareholders are not permitted to acquire more than \$15,000 worth of New Shares in aggregate, even if you receive more than one Application Form or hold Shares in more than one capacity, e.g. if you are both a sole and joint holder of Shares (**Aggregate SPP Participation**).

5. Issue Price of New Shares under the SPP

- (a) The price per New Shares on offer under the SPP (**Issue Price**) will be \$0.015.
- (b) The current Share price can be obtained from the ASX website at www.asx.com.au (ASX code: PLS) and is listed in the financial and business section of major daily newspapers circulated in Australia.
- (c) The Issue Price represents a discount of:
- (i) 0% to the closing price of Shares of \$0.015 on 4 July 2014 (being the trading day before the SPP was announced); and
- (ii) 9.9% to volume weighted average market price of Shares over the last 5 days on which sales of Shares were recorded before 7 July 2014 (being the day the SPP was announced).
- (d) You agree to pay the Issue Price for each New Share calculated under clauses 5(a) and 7(b).
- (e) You acknowledge that the market price of Shares may rise or fall between the date of this SPP, the date of calculation of the Issue Price and the date that New Shares are allotted to you under the SPP (**Issue Date**) and that the effect of this is that the Issue Price you pay for the New Shares may exceed the market price of New Shares on the Issue Date.

6. Scaleback

- (a) Pilbara Minerals does not intend to issue more than 117,509,178 New Shares under the SPP. Pilbara Minerals reserves the right to allot fewer New Shares than an Eligible Shareholder applies for under the SPP, or no New Shares, and any determination by the Directors in respect of any scale back will be final.
- (b) If a scaleback occurs, Pilbara Minerals will refund any excess application money to Eligible Shareholders (without interest).

7. Applying for New Shares

- (a) If you are an Eligible Shareholder and wish to participate in the SPP, you must follow the instructions on the SPP Application Form (**Application Form**) and:
 - (i) make payment by BPAY® equivalent to the value of the parcel of New Shares you wish to apply for, using the information provided on the application form; or
 - (ii) complete the Application Form and provide a cheque or money order made payable to "Pilbara Minerals Limited",so that it is received by the Share Registry by 5.00pm (Perth time) on the Closing Date. Payments must be denominated in Australian dollars.
- (b) If you apply for New Shares, you will apply for a certain value, rather than a certain number, of New Shares. Subject to clause 7(c), Pilbara Minerals will divide the parcel value you select by the Issue Price in order to determine the number of New Shares for which you have applied (rounded down to the nearest whole number of New Shares). Any balance of monies sent by you that is remaining as a result of rounding will be refunded to you except where the amount is less than \$2.00 (or an amount advised by Pilbara Minerals).
- (c) Eligible Shareholders who receive more than one offer under the SPP (for example, because they hold Shares in more than one capacity) may apply on different Application Forms for New Shares but may not apply for New Shares with an aggregate value of more than \$15,000.
- (d) Pilbara Minerals may accept or reject your application for New Shares, either in whole or in part, at its absolute discretion. For example, Pilbara Minerals may reject your application in any of the following circumstances (among others):
 - (i) it appears that you are applying to purchase a number of New Shares that will mean that your Aggregate SPP Participation will exceed \$15,000;
 - (ii) your Application Form is incorrectly completed, incomplete or otherwise determined by Pilbara Minerals to be invalid;

- (iii) your cheque is dishonoured or the cheque or money order that you enclose with your Application Form is not made out for the amount corresponding to the value of the parcel of New Shares for which you have applied;
- (iv) your Application Form is received after the Closing Date; or
- (v) Pilbara Minerals believes you are not an Eligible Shareholder (subject to compliance with any applicable ASIC or ASX requirements).

Late or otherwise incomplete or invalid payments will be refunded to you.

8. Shortfall

The offer under the SPP is not underwritten. To the extent that there is a shortfall in the subscription for New Shares under the SPP (**Shortfall**), the Directors reserve the right to place any New Shares under the Shortfall in their absolute discretion at a price no less than the price of New Shares offered under the SPP, to the extent that any such placement of New Shares under the Shortfall can be made having regard to Listing Rule 7.1.

9. Risk

- (a) Subscription for New Shares is a speculative investment and the market price may change between the date you apply for New Shares and the issue of New Shares to you. Accordingly, the value of New Shares applied for is likely to rise or fall. Importantly, there is a risk that during the period between when you apply for New Shares and when the New Shares are issued to you, the price at which Shares are traded on the ASX may be less than the Issue Price.
- (b) This document is not a prospectus or product disclosure statement, and has not been lodged with ASIC. The issue of a prospectus or product disclosure statement is not required for the purposes of the SPP. This document does not contain the types of disclosure required to be contained in a prospectus or product disclosure statement. You must rely on your own knowledge of Pilbara Minerals, previous disclosures made by Pilbara Minerals to the ASX (including disclosure regarding the risks of making an investment in Pilbara Minerals) and, if necessary, consult your professional adviser when deciding whether or not to participate in the SPP.

10. Timetable

- (a) Subject to clause 10(b):
 - (i) (**Record Date**) the record date for the offer is 5.00pm (Perth time) on 4 July 2014 (being the trading day before the SPP was announced);
 - (ii) (**Opening Date**) the offer opens on 9 July 2014;
 - (iii) (**Closing Date**) the offer closes at 5.00pm (Perth time) on 23 July 2014;

- (iv) **(SPP Results Announcement)** the number of New Shares to be issued will be announced to the ASX shortly after the Closing Date; and
 - (v) **(Issue Date)** Pilbara Minerals proposes to that the New Shares will be issued on 30 July 2014.
- (b) Subject to the ASX Listing Rules and the Corporations Act, Pilbara Minerals may vary any of the dates in clause 10(a) at its discretion (even if the offer has opened, or BPAY® or Application Forms have been received) by lodging a revised timetable with ASX.

11. Effect of Making an Application

If you submit a BPAY® payment or complete and return an Application Form together with a cheque or money order:

- (a) you acknowledge that you are an Eligible Shareholder;
- (b) you irrevocably and unconditionally agree to these Terms and Conditions and the terms of the Application Form and agree not to do any act or thing that would be contrary to the spirit, intention or purpose of the SPP or these Terms and Conditions;
- (c) you acknowledge your application is irrevocable, unconditional and cannot be withdrawn once returned;
- (d) you certify that the total of the application price for the following does not exceed \$15,000:
 - (i) New Shares under the SPP the subject of your application;
 - (ii) any other New Shares or interests under the SPP or any Shares or interests in the class of shares issued that you acquired under any similar arrangement in the 12 months before the date of your application;
 - (iii) any other New Shares or interests in the class of shares issued which you have instructed a custodian to acquire on your behalf under the SPP; and
 - (iv) any other Shares or interests in the class of shares issued to a custodian under an arrangement similar to the SPP in the 12 months before the date of your application as a result of an instruction given by you to the custodian or another custodian and which resulted in you holding beneficial interests in the shares or interests in the class,

even though you may have received more than one offer under the SPP or received offers in more than one capacity under the SPP;

- (e) if you are a custodian, you make additional representations that you either:
 - (i) hold an Australian financial services licence that:

- (A) covers the provision of a custodial or depository service (as defined by section 766E of the Corporations Act 2001 (Cth) (Corporations Act)); or
 - (B) includes a condition requiring you to comply with the requirements of ASIC Class Order CO 13/763; or
- (ii) are exempt from the requirement to hold an Australian financial services licence for the provision of a custodial or depository service under:
 - (A) paragraph 7.6.01(1)(k) of the Corporations Regulations 2001 (Cth) (**Regulations**);
 - (B) paragraph 7.6.01(1)(na) of the Regulations;
 - (C) ASIC Class Order CO 05/1270 to the extent that it relates to ASIC Class Order CO 03/184;
 - (D) ASIC Class Orders CO 03/1099, CO 03/1100, CO 03/1101, CO 3/1102, CO 04/829 or CO 04/1313;
 - (E) an individual instrument of relief granted by ASIC in terms similar to one of the Class Orders referred to in clause 11(e)(ii)(D); or
 - (F) paragraph 911A(2)(h) of the Corporations Act; or
- (iii) are otherwise a custodian as defined in Class Order CO 09/425, and that you have provided a Custodian Certificate to Pilbara Minerals;
- (f) you authorise Pilbara Minerals to correct minor errors in your Application Form and to complete the Application Form by inserting any missing minor detail;
- (g) you acknowledge that Pilbara Minerals may determine that your Application Form is valid, in accordance with these Terms and Conditions, even if the Application Form is incomplete, contains errors or is otherwise defective;
- (h) you accept the risk associated with any refund that may be sent to your address or to your nominated bank account as shown on the Pilbara Minerals security register;
- (i) you are responsible for any dishonour fees or other costs Pilbara Minerals may incur in presenting a cheque for payment that is dishonoured;
- (j) you acknowledge that no interest will be paid on any application monies paid in connection with this SPP and that are held pending the allotment of the New Shares or subsequently refunded to you for any reason;
- (k) you acknowledge that you have not been provided with investment advice or financial product advice by Pilbara Minerals or the Share Registry and that neither of them has any obligation to provide this advice in relation to your consideration as to whether or not

to participate in, or the Pilbara Minerals is not liable for any exercise of its discretions referred to in these Terms and Conditions;

- (l) you acknowledge that the New Shares have not been, and will not be, registered under the US Securities Act of 1933 or the securities law of any state or other jurisdiction in the United States and, accordingly, the New Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any other applicable securities laws;
- (m) you represent and warrant that you are not in the United States, and are not applying under the SPP for or on behalf of a person in the United States; and
- (n) you agree not to send any materials relating to the SPP to any person in the United States or any other country outside Australia and New Zealand.

12. Waiver, Amendment, Suspension and Withdrawal

- (a) Pilbara Minerals may, at its discretion, waive compliance with any provision of these Terms and Conditions, amend or vary these Terms and Conditions or suspend or withdraw the offer made under this SPP at any time and in its absolute discretion. Any such waiver, amendment, variation, suspension or withdrawal will be binding on all Eligible Shareholders even where Pilbara Minerals does not give notice of the event. However, the rights of any Shareholder in connection with any New Shares that have been duly issued and allotted to that person prior to the occurrence of any such waiver, amendment, variation, suspension or withdrawal will not be affected as a result of any such occurrence.
- (b) Pilbara Minerals is not liable for any loss, cost, expense, liability or damage arising out of exercise of any of its discretions under these Terms and Conditions.
- (c) If you have any questions in respect of the SPP, please contact the Company Secretary on (08) 6555 2950.

13. Rights Attaching

The rights and obligations of the New Shares are contained in the Pilbara Minerals Constitution. The New Shares will be issued on the same terms as all other Shares and Pilbara Minerals will apply for the New Shares to be quoted on the ASX. If the New Shares are not quoted on the ASX, the New Shares will not be issued and all application monies will be refunded.

14. Costs of Participation

No brokerage costs will be payable by Eligible Shareholders in respect of the application for, and allotment of, New Shares.

15. Privacy

By receiving completed Application Forms, Pilbara Minerals collects personal information about Shareholders. Pilbara Minerals will use this information for the purposes of processing the Application Form and updating the records of Pilbara Minerals. To the extent restricted by law, Pilbara Minerals will not disclose personal information about a Shareholder to a third party. To the extent permitted by law, Shareholders are able to access, upon request, personal information about them held by Pilbara Minerals.

16. Dispute Resolution

Pilbara Minerals may settle in any manner it thinks fit, any difficulties, anomalies or disputes that may arise in connection with or by reason of the operation of the SPP. The decision of Pilbara Minerals will be conclusive and binding on all participants and other persons to whom the determination relates. Pilbara Minerals' rights may be exercised by the Board or any delegate of the Board.

17. Governing Law

These Terms and Conditions are governed by the laws in force in Western Australia. Any dispute arising out of or in connection with these Terms and Conditions, or the offer of New Shares, will be determined by the courts of Western Australia. By accepting this offer, you agree to submit to the exclusive jurisdiction of the courts in Western Australia.