



ASX Announcement

Small Holdings Sale Facility

Sihayo Gold Limited (Sihayo) advises that it is implementing a small holdings sale facility (Facility) which provides eligible shareholders with the opportunity to sell their shareholding without incurring brokerage or handling costs.

The Facility is available to shareholders who at 7:00pm (Sydney time) on 11 July 2014 (Record Date) were holders of shares with an aggregate market value of less than \$500.

Based on a price of \$0.016 per share, being the closing price of Sihayo shares on the ASX on the Record Date, the Facility will be available to any shareholder holding less than 31,250 shares.

Eligible shareholders will be sent a letter outlining the terms and conditions of the Facility on 18 July 2014.

It is important for eligible shareholders to note that as the Facility is being conducted on an "opt-out" basis, any shareholder wishing to retain their holding must take action in response to the letter to avoid their shares being sold.

Key dates relevant to the Facility are set out below:

| | |
|---------------------------|-------------------|
| Record Date: | 11 July 2014 |
| Shareholder Mailing Date: | 18 July 2014 |
| Closing Date: | 30 August 2014 |
| Expected Payment Date: | 12 September 2014 |

The company has sought and received a loan from major shareholders to provide bridging funds during this process. The board is considering the future funding requirements of the company and an announcement will follow in due course.

Sincerely,

A handwritten signature in black ink, appearing to read "Daniel Nolan", with a horizontal line underneath it.

Daniel Nolan

Director/Company Secretary.