

1 August 2014

Dear Shareholder

QUINTESSENTIAL RESOURCES LIMITED - RIGHTS ISSUE
NOTIFICATION TO SHAREHOLDERS

On 30 July 2014, Quintessential Resources Limited (the **Company**) announced to the Australian Securities Exchange (**ASX**) the details of a non-renounceable pro-rata rights issue (**Rights Issue**) on the basis of 1 new ordinary share (**New Share**) for every 4 existing shares held in the Company as at 5:00pm (WST) on the Record Date at an issue price of \$0.01 per Share to raise up to approximately \$314,033.

The Rights Issue is fully underwritten by Taylor Collison Limited.

An offer document relating to the Rights Issue (**Offer Document**) will be sent to Shareholders on 11 August 2014.

| EVENT | DATE |
|--|----------------|
| Release of Offer Document, Cleansing Notice and Appendix 3B lodged to ASX (prior to market opening) | 30 July 2014 |
| Notice sent to Shareholders | 1 August 2014 |
| Ex Date (date from which securities commence trading without the Entitlement to participate in the Offer) | 5 August 2014 |
| Record Date 5pm (WST) (date for determining Entitlements of eligible Shareholders to participate in the Rights Issue) | 7 August 2014 |
| Offer Document Dispatched to Shareholders (expected date of dispatch of Offer Document, Entitlement and Acceptance Forms) | 11 August 2014 |
| Offer Closing Date* 5pm (WST) | 22 August 2014 |
| Securities quoted on a deferred settlement basis | 25 August 2014 |
| ASX notified of under subscriptions | 28 August 2014 |
| Dispatch holding statements | 28 August 2014 |

* Subject to the Listing Rules, the Directors reserve the right to extend the closing date of the Rights Issue at their discretion. Should this occur, the extension will have a consequential effect on the anticipated date of issue for the New Shares

Use of Funds

The Company intends to apply the funds raised from the Offer to:

| ACTIVITY | ALLOCATED FUNDS |
|--|------------------|
| Expenses of the Offer | \$46,225 |
| Completion of the acquisition of Yonder and Beyond | \$225,000 |
| General Working Capital | \$42,808 |
| Total | \$314,033 |

It is important to recognise that the use of funds may be subject to change in line with results, circumstances and other opportunities.

Capital Structure

The capital structure of the Company on completion of the Rights Issue will be as follows:

| | SHARES | OPTIONS |
|---|--------------------|-------------------|
| Balance at the date of this Offer Document | 125,613,048 | 15,850,000 |
| To be issued under the Offer ⁽¹⁾ | 31,403,262 | Nil |
| Balance after the Offer | 157,016,313 | 15,850,000 |

Notes:

- (1) The number of Shares to be issued under the Offer assumes that no Options are exercised before the Record Date.

In calculating entitlements under the Rights Issue fractions will be rounded up to the nearest whole number.

Further Information

The Rights Issue is made to Shareholders with registered addresses in Australia and New Zealand.

Full detail of the Rights Issue will be contained in the Offer Document that will be mailed to all Shareholders who are registered on the Record Date. Shareholders eligible to participate should read the Offer Document carefully. If you have any questions in relation to any of the above matters, please contact the Company's Share Registry, Computershare Investor Services Pty Limited on 08 9323 2000. For other questions, you should contact your stockbroker, accountant, taxation adviser, financial adviser or other professional adviser.

Yours sincerely



Jay Stephenson
Chairman
QUINTESSENTIAL RESOURCES LIMITED