

22 February 2018

NON-RENOUNCEABLE RIGHTS ISSUE – CLEANSING NOTICE PURSUANT TO SECTION 708AA(2)(f) OF THE CORPORATIONS ACT 2001

This notice is given by Mustang Resources Limited (ASX: MUS) (**Company**) under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) (**Act**), as notionally modified by ASIC Corporations (Non-Traditional Rights Issue) Instrument 2016/84 (**ASIC Instrument**).

Pursuant to an offer document dated 22 February 2018 (**Offer Document**), the Company is offering eligible shareholders the opportunity to acquire additional fully paid ordinary shares in the capital of the Company (**Shares**) via a non-renounceable pro-rata rights issue (**Rights Issue**) on the basis of one (1) Share for every four (4) Shares held at 7:00pm (Sydney time) on the record date of 27 February 2018.

Shares under the Rights Issue will be offered at \$0.023 per Share. The maximum number of Shares which may be issued under the Rights Issue is 192,858,347 (based on the number of Shares on issue at the date of the Offer Document and subject to rounding of fractional entitlements) to raise up to approximately \$4,435,742. The Rights Issue will not be underwritten.

The Offer Document will be mailed to eligible shareholders on 2 March 2018, together with a personalised Entitlement and Acceptance Form. For informational purposes, a sample copy of the Offer Document has been attached to this notice.

The Company hereby gives notice under section 708AA(2)(f) of the Act that:

- (a) the Company will offer the Shares under the Rights Issue for issue without disclosure to investors under Part 6D.2 of the Act, as notionally modified by the ASIC Instrument;
- (b) the Company is providing this notice under section 708AA(2)(f) of the Act, as notionally modified by the ASIC Instrument;
- (c) at the date of this notice, the Company has complied with:
 - (i) the provisions of Chapter 2M of the Act as they apply to the Company; and
 - (ii) section 674 of the Act;

MUSTANG RESOURCES LIMITED

Level 1, 9 Bowman Street, South Perth WA 6151 Australia

Telephone: +61 (0) 8 9217 2400

Registered Office: PO Box 840, South Perth WA 6951

ACN: 090 074 785 | Website: www.mustangresources.com.au

- (d) at the date of this notice, there is no information that is “excluded information” within the meaning of section 708AA(8) and section 708AA(9) of the Act; and
- (e) the potential effect that the issue of the Shares under the Rights Issue will have on the control of the Company is as follows:
 - (i) if all eligible shareholders take up their entitlements under the Rights Issue, the issue of Shares under the Rights Issue will have no effect on the control of the Company and all shareholders will hold the same percentage interest in the Company, subject only to changes resulting from ineligible shareholders being unable to participate in the Rights Issue;
 - (ii) in the event that there is a shortfall to the Rights Issue, shareholders who do not subscribe for their full entitlement of Shares under the Rights Issue will be diluted relative to those shareholders who subscribe for some or all of their entitlement of Shares.

Signed for and on behalf of the Company:



IAN C DAYMOND
NON-EXECUTIVE CHAIRMAN
MUSTANG RESOURCES LIMITED

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