

Dear Shareholder

23 February 2018

RE: Classic Minerals Ltd – Shareholder Purchase Plan (SPP)

On behalf of the Directors of Classic Minerals Limited (CLZ) I am pleased to invite you to participate in a share purchase plan ("SPP") to purchase up to a maximum of A\$15,000 worth of fully paid ordinary shares in Classic ("Shares").

Background

Our Company has recently acquired groundholdings in the Forrestania region which is highly prospective for primary gold mineralisation having yielded more than 1 million ounces of gold extracted to date. Remaining known in-ground resources in this region exceed 2.5 million ounces of gold.

Classic's Forrestania Gold project ("FGP") consists of existing resources of 5.9Mt at 1.25g/t for 240,000oz gold, classified and reported in accordance with the JORC Code (2012). Resources are located beneath an existing open pit and un-mined, near-surface deposits. This project presents an opportunity for near term mining operations which will benefit the Company.

The Company is planning an aggressive work program with the aim of developing existing gold resources and discovering new high grade gold deposits within the Company's extensive groundholding at FGP.

Work will include the completion of resource development drilling and resource calculations at Lady Ada and Lady Magdalene, orientated diamond drilling at Lady Magdalene to identify very high grade gold lodes similar to Lady Ada and extensive regional exploration drilling testing high priority exploration targets for new gold deposits. Proceeds from this SPP will be used to advance these programs.

Participation

This booklet contains the terms and conditions of the SPP with this booklet you will also find your personalised Application Form, to be completed in accordance with the instructions on that form. You should carefully read both this booklet and the Application Form in their entirety. It is important to note that the SPP is scheduled to close at 5.00pm (WST) on **9 March 2018**. To participate, you need to ensure that you have paid your application monies via BPAY® pursuant to the

instructions set out on the Application Form OR your completed Application Form and your payment is received by our share registry, Advanced Share Registry Pty Ltd, before this time and date. You can participate in the SPP in respect of an amount of A\$1,000, A\$2,500, A\$5,000, A\$7,500, A\$10,000 or A\$15,000 (subject to a maximum of A\$15,000 for each eligible shareholder, irrespective of the size of an eligible shareholder's existing shareholding). Participation in the SPP is optional and the right to participate is not transferable. You should consult your stockbroker, accountant or other independent professional adviser to evaluate whether or not to participate in the SPP.

Participation in the SPP is entirely voluntary. If you do not wish to participate you do not have to do anything and may disregard this letter and the enclosed terms and conditions.

Use of funds

Funds raised under the SPP, are to be used primarily to fund the exploration and development at the FGP. The SPP provides you as an eligible shareholder with the opportunity to increase your shareholding in Classic at an issue price of A\$0.004 per Share which is a 20% discount to the Company's share price of A\$0.005 as at 21 February 2018. Under the SPP shares can be acquired without incurring brokerage, commissions or other transaction costs. Classic seeks to raise up to A\$1,000,000 under the SPP, however it reserves the right to accept a higher amount.

If you have any questions in relation to the SPP, please contact Classic's Company Secretary, Mr Jeffrey Nurse on +61 (08) 6305 0221 or alternatively Advanced Share Registry on +61 (08) 9389 8033. On behalf of the Directors of Classic, I invite you to consider this investment opportunity and thank you for your ongoing support of our company.

Yours faithfully



Mr Dean Goodwin
Chief Executive Officer

Classic Minerals Limited

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