

## **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

Phone: (08) 6305 0221  
Address: 71 Furniss Road, Landsdale WA 6065  
Postal: PO Box 487, Osborne Park WA 6917  
Website: [www.classicminerals.com.au](http://www.classicminerals.com.au)  
Email: [contact@classicminerals.com.au](mailto:contact@classicminerals.com.au)





23 FEBRUARY 2018

ASX: CLZ ACN 119 484 016

# Share Purchase Plan

## Terms and Conditions

Classic Minerals Ltd (**CLZ**) is pleased to provide Eligible Shareholders (as defined below) with the opportunity to participate in the Classic Share Purchase Plan (**SPP**) by subscribing for up to \$15,000 worth of new fully paid ordinary shares in Classic (**New Shares**) at a purchase price of \$0.004 per New Share without incurring brokerage or other transaction costs.

Details of the terms and conditions of the offer and the key dates are set out below:

## Key Dates

The Key Dates for the SPP are as follows:

Record Date	23 February 2018
SPP announced to ASX	23 February 2018
SPP Opens	26 February 2018
SPP Closes	9 March 2018
Allotment of New Shares	12 March 2018
Holding statements expected to be dispatched to shareholders	20 March 2018

These dates are subject to change and are indicative only. Classic reserves the right to vary any of the above dates and times without notice to Eligible Shareholders. Any variation will be notified to the Australian Securities Exchange (ASX).

This SPP is an opportunity for all eligible shareholders to purchase additional Shares at a price of \$0.004. The closing date of the SPP offer, is expected to be on **9 March 2018**.

## The proceeds from the SPP will go towards a range of purposes:

- Funding to provide sufficient equity to fund ongoing exploration drilling at the Forrestania Gold Project in particular the Lady Ada, Lady Magdalene, Lady Lila, Kat Gap and other known targets at the Forrestania Gold Project.
- CLZ's to continue to secure an ore treatment agreement and or Build Own Operate Maintain ("BOOM") development model to fund the Forrestania Gold Project and its deposits.
- Strengthen CLZ's balance sheet to provide greater financial strength in negotiating commercial arrangements and developments for the Forrestania Gold Project and working capital.

## Who is eligible to apply?

You are eligible to subscribe for up to a maximum of \$15,000 worth of New Shares under the SPP if you were recorded as holding fully paid ordinary shares in Classic (**Shares**) at 5:00 pm (WST) on 23rd February 2018 (Record Date) with a registered address either in Australia or New Zealand (Eligible Shareholder) unless:

you hold Shares on behalf of another person who resides outside Australia and New Zealand and do not hold Shares in any other capacity; or you are in the United States or you are a "U.S. Person" (as defined in Regulation S under the United States Securities Act of 1933) or acting on account of a US Person.

Classic has determined that it is not practical for holders of Shares with registered addresses in other jurisdictions to participate in the SPP. 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. If you are recorded with one or more 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 the joint holders are entitled to participate in the SPP in respect of that single holding only. If the same joint holders receive more than one offer under the SPP due to multiple holdings, the joint holders may only apply for one maximum parcel of New Shares.

If you are a custodian within the definition of "custodian" in ASIC Class Order [CO 09/425] and hold Shares on behalf of one or more persons (each a Participating Beneficiary), you may apply for up to a maximum of \$15,000 worth of New Shares for each Participating Beneficiary, subject to you certifying in writing to Classic a number of matters relating to each Participating Beneficiary (Custodian Certificate).

If you are a custodian, please contact Advanced Share Registry Services Limited to obtain the form of Custodian Certificate that you are required to submit on +61 8 9389 8033 between 8:30am and 5:00pm (WST) on business days.

If you hold Shares as a trustee or nominee for another person, but are not a “custodian” as described above, you cannot participate on behalf of any beneficiaries in the manner described above. In this case, the rules for multiple single holdings apply.

## United States restrictions

The offer of New Shares under the SPP is made in accordance with ASIC Class Order [09/425] which grants relief from the requirement to issue a disclosure document for the SPP.

The laws of some countries prohibit or make impracticable participation in the SPP by certain overseas Classic shareholders. Unfortunately, Classic shareholders who are not resident in Australia or New Zealand will not be able to participate in the SPP. The SPP does not constitute an offer of Shares for sale in any other jurisdiction.

New Shares to be issued under the SPP have not been and will not be registered under the U.S. Securities Act of 1993 as amended (Securities Act) or the securities laws of any state or other jurisdiction of the United States. Therefore, the New Shares to be issued under the SPP may not be offered, sold or otherwise transferred to shareholders located in the “United States” (as defined in Regulation S under the Securities Act) or to shareholders who are, or who are acting for the account or benefit of, a U.S. Person (as defined in Regulation 5 under the Securities Act) (US Person).

These terms and conditions and the accompanying materials do not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to, or from, any US Person, and these materials must not be sent or disseminated in the United States or to any US Person, directly or indirectly.

Consistent with the warranties contained in these terms and conditions and the application form accompanying these terms and conditions (Application Form), you must not submit any completed Application Form or make any payment in respect of the purchase of New Shares under the SPP on behalf of any persons resident in the United States or who are, or are acting for the account or benefit of, US Persons. Failure to comply with these restrictions may result in violations of applicable securities laws.

## Participation is optional

Participation in the SPP is optional and is subject to these terms and conditions and those set out in the Application Form. The offer to acquire New Shares under the SPP is not a recommendation.

If you are in any doubt about the offer, whether you should participate in the SPP or how such participation will affect you, you should consider seeking independent financial and taxation advice before making a decision as to whether or not to accept this offer. Classic also recommends that you monitor the Share price which can be found in the financial pages of major Australian metropolitan newspapers or on the ASX website at [www.asx.com.au](http://www.asx.com.au) (ASX code: CLZ).

## Non-Renounceable Offer

This offer is non-renounceable which means you cannot transfer your right to purchase New Shares under the SPP to anyone else. Accordingly, New Shares applied for under the SPP may be issued only to the Classic shareholder to whom they are offered.

## Ranking of New Shares.

All New Shares issued under the SPP will rank equally with existing Shares from the date of issue and, therefore, will carry the same voting rights, dividend rights and other entitlements as existing Shares.

## Applications may be scaled back

The total number of New Shares that may be issued under the SPP is **250,000,000 New Shares**, to raise a total amount of approximately **\$1,000,000.00**. Notwithstanding this, the board of directors (Board) reserve the right, in their absolute discretion, to scale back applications on a pro-rata proportionate basis.

If applications are scaled back, you may not receive the full parcel of New Shares for which you have applied. If a scale back produces a fractional number when applied to your parcel, the number of New Shares you will be allotted under the SPP will be rounded up to the nearest whole number of New Shares.

In the event of a scale back, the difference between the value of the New Shares allotted to you (calculated at the purchase price for the New Shares) and the application money received from you will be refunded by Classic, without interest, following allotment.

## How the purchase price is calculated

The purchase price for each New Share under the SPP will be **\$0.004**.

The market price of Shares may rise or fall between the date of this offer and the date when the New Shares are issued and allotted to you under the SPP. Importantly, there is a risk that the price you pay per New Share under this offer may exceed the market price of the Shares at the time the New Shares are issued to you under the SPP.

## The costs payable

You only have to pay the purchase price for the New Shares under the SPP. You do not have to pay any other transaction costs such as brokerage, commissions or other costs normally associated with an acquisition of shares on ASX.

## Available parcels

Under the SPP, Eligible Shareholders may acquire a maximum of \$15,000 worth of New Shares at a minimum of a \$1,000 parcel, increasing incrementally by \$2,500 parcels by agreeing to accept one of the following parcels:

Offer	Subscription Amount	Number of New Shares
A	\$1,000	250,000
B	\$2,500	625,000
C	\$5,000	1,250,000
D	\$7,500	1,875,000
E	\$10,000	2,500,000
F	\$15,000	3,750,000

## Maximum Subscription Amount (\$15,000)

The offer under the SPP must comply with the conditions of ASIC Class Order [CO 09/425]. Under that Class Order, Eligible Shareholders may only acquire a maximum of \$15,000 worth of Shares under a share purchase plan in any 12 month period. Classic has not conducted a share purchase plan in the past 12 months.

Accordingly, Eligible Shareholders may participate in the SPP up to the maximum limit of \$15,000. This limitation applies even if you receive more than one Application Form or if you hold Shares in more than one capacity (e.g. if you are both a sole and joint holder of the Shares). Please refer to the "Who is eligible to apply?" (Page 1) for further details.

## Certification

By submitting an Application Form together with a cheque, bank draft or money order or submitting a BPAY payment to Classic you certify that the aggregate of the application price paid by you for:

- the New Shares under the SPP the subject of the application;
- any other New Shares under the SPP or any Shares under similar arrangement in the 12 months before the date of your application; any other New Shares which you have instructed a custodian to acquire on your behalf under the SPP; and any other Shares issued to a custodian in the 12 months before the date of your application as a result off an instruction to apply for Shares on your behalf under an arrangement similar to the SPP given by you to the custodian or a downstream custodian, does not exceed \$15,000.

## If you are a custodian you make additional representations that:

you are a custodian, trustee or nominee within the definition of "custodian" in ASIC Class Order [CO 09/425]; and you have provided a Custodian Certificate to Classic. The \$15,000 limit applies irrespective of the number of Shares you hold on the Record Date. Classic reserves the right, and in certain circumstances may be required under ASIC Class Order [CO 09/425] or any specific relief granted by ASIC to Classic in relation to the SPP, to reject an application for New Shares under the SPP to the extent it considers, or is reasonably satisfied, that the application (whether alone or in conjunction with other applications) does not comply with these requirements.

## Calculation of the number of New Shares

In the absence of scale back, the number of New Shares to be issued to you under the SPP will be depend on which offer (set out in paragraph **Available Parcels** above) you choose. The number of New Shares set out in each offer in the paragraph **Available Parcels** above were calculated by dividing the total subscription price by the purchase price for the New Shares, being \$0.004 per New Share.

If Classic scales back applications, the number of New Shares to which you may be entitled, as scaled back, may not be equal to a whole number of New Shares. In that event, the number of New Shares allotted to you will be rounded up to the nearest whole number of New Shares.

## How to apply for New Shares

The SPP opens on 26 February 2018. If you would like to apply for New Shares under the SPP you can either:

- complete the accompanying Application Form and return it together a cheque, bank draft or money order made payable to "Classic Minerals Ltd – Share Purchase Plan" for the subscription amount for the number of New Shares applied for by you drawn on an Australian bank in Australian dollars; or
- make a BPAY payment for the subscription amount for the number of New Shares applied for by you by using the personalised reference number shown on your Application Form (which is required to identify your holding). If you make your payment using BPAY you do not need to return your Application Form.

Applications (together with payment) must be received by Classic or Classic's share registry, Advanced Share Registry Services Limited (by post: PO Box 1156, Nedlands WA 6909 or by hand: 150 Stirling Highway, Nedlands WA 6009) by no later than 5.00 pm (WST) on 9 March 2018. Classic reserves the right to return any payment and not allot any New Shares in respect of an application received after that time.

Applications are irrevocable and may not be withdrawn once they have been received by Classic. No interest will be payable on application money held by Classic.

Please read the accompanying Application Form for further details of how to apply for New Shares under the SPP.

## **Class Order [CO 09/425] compliance**

This offer of New Shares under the SPP is made in accordance with the requirements of ASIC Class Order [CO 09/425]. This Class Order grants relief from the requirement to prepare a prospectus for the offer of New Shares under the SPP.

## **Binding terms**

By accepting the offer to purchase New Shares under the SPP, you agree to be bound by these terms and conditions and the constitution of Classic.

## **Withdrawal, Suspension, Termination, Anomalies and Disputes**

Classic reserves the right to waive strict compliance with any provision of these terms and conditions, to amend or vary these terms and conditions and to suspend or terminate the SPP at any time. Any such amendment, variation, suspension or termination will be binding on all Eligible Shareholders even where Classic does not notify you of that event.

Classic may make determinations in any manner it thinks fit, including in relation to any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the SPP, whether generally or in relation to any participant or application. Any determinations by Classic will be conclusive and binding on all Eligible Shareholders and other persons to whom the determination relates. Classic's rights may be exercised by the Board or any delegate of the Board.

Any variation, suspension or termination of the SPP does not give rise to any liability on the part of, or any action against, Classic or any member of the Board.

If the Board determines to suspend or terminate the SPP, any application money received by Classic from you, will be refunded to you, without interest, as soon as reasonably practical after such suspension or termination.

## **Governing law and jurisdiction**

The law of Western Australia governs these terms and conditions.

The parties submit to the non exclusive jurisdiction of the courts of Western Australia and of the Commonwealth of Australia.

## **SPP queries**

If you have any questions regarding the SPP, please contact Classic's Company Secretary, Mr. Jeffrey Nurse on +61 (08) 6305 0221.



**Dean Goodwin**  
Chief Executive Officer  
Classic Minerals Limited

## **Classic Minerals Limited**

Phone: (08) 6305 0221  
Address: 71 Furniss Road, Landsdale WA 6065  
Postal: PO Box 487, Osborne Park WA 6917  
Website: [www.classicminerals.com.au](http://www.classicminerals.com.au)  
Email: [contact@classicminerals.com.au](mailto:contact@classicminerals.com.au)



## SHARE PURCHASE PLAN ("SPP") APPLICATION FORM

### How do I apply for Shares under the SPP?

- Carefully read the SPP Terms and Conditions accompanying this form and the Important Information on the reverse of this form.
- Decide on the amount of Shares you wish to apply for.
- Pay for the Shares in accordance with the instructions outlined in the SPP Terms and Conditions and the further instructions on the reverse of this form.
  - Option 1: Paying by BPAY®.
  - Option 2: Paying by Cheque, Bank Draft or Money Order.
- Payments must be made in Australian dollars.

<b>Sub-register</b>	
<b>HIN / SRN</b>	
<b>Record Date</b>	5.00 pm (WST) on 23 February 2018
<b>Offer opens</b>	26 February 2018
<b>Offer closes</b>	5.00 pm (WST) on 9 March 2018

### PAYMENT OPTIONS

#### Option 1: Paying by BPAY®

If paying by BPAY®, you do NOT need to complete or return this Application Form below. By paying by BPAY® you will be deemed to have made the statements and certifications that are set out in the Important Information notice on the reverse of this form.

Payment must be received by the Registry by BPAY® by 5.00pm (WST) on 9 March 2018. By paying by BPAY®, you will be deemed to have completed an Application Form for the number of Shares the subject of your application payment. If you make a payment by BPAY® and Classic Minerals Ltd ("Classic Minerals") receives an amount which is not equal to either A\$1,000, A\$2,500, A\$5,000, A\$7,500, A\$10,000 or A\$15,000, Classic Minerals may round down the dollar amount of Shares that you are applying for to the next lowest parcel at their discretion. Your payment must be for a minimum of A\$1,000.



Biller Code: 212969

Ref No:

#### Telephone & Internet Banking – BPAY®

Contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account.

More info: [www.bpay.com.au](http://www.bpay.com.au)

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#### Option 2: Paying by Cheque, Bank Draft or Money Order

If paying by cheque, bank draft or money order complete and return the Acceptance Application Form with your payment.

- Tick the box beside the amount you wish to apply for, either A\$1,000, A\$2,500, A\$5,000, A\$7,500, A\$10,000 or A\$15,000.
- Enter your cheque, bank draft or money order details. The amount of your application payment should be equal to the amount applied for in section A. Cheques, bank drafts or money orders must be drawn on an Australian financial institution in Australian currency, made payable to "Classic Minerals Ltd SPP Offer" and crossed "Not Negotiable". Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. If you provide a cheque, bank draft or money order for an amount that is not equal to either A\$1,000, A\$2,500, A\$5,000, A\$7,500, A\$10,000 or A\$15,000, Classic Minerals may round down the dollar amount of Shares that you are applying for to the next lowest parcel at their discretion. Your payment must be for a minimum of A\$1,000.
- Enter your contact telephone number at which we may contact you regarding your application for Shares, if necessary.

#### A I/we wish to purchase a parcel of Shares to the dollar amount of (tick one box only):

<input type="checkbox"/>	A\$1,000	OR	<input type="checkbox"/>	A\$2,500	OR	<input type="checkbox"/>	A\$5,000	OR	<input type="checkbox"/>	A\$7,500	OR	<input type="checkbox"/>	A\$10,000	OR	<input type="checkbox"/>	A\$15,000
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#### B Make your cheque, bank draft or money order payable to "Classic Minerals Ltd SPP Offer" and crossed "Not Negotiable"

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	A\$ <input type="text"/> .00

#### C Telephone Number – Business Hours

#### Telephone Number – After Hours

#### Contact Name

<input type="text"/>	<input type="text"/>	<input type="text"/>
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## IMPORTANT INFORMATION

1. This is an important document which requires your immediate attention. If you are in any doubt as to how to deal with this Application Form, please consult a professional adviser.
2. If you do not wish to purchase Shares under the SPP, there is no need to take action.
3. Please ensure you have read and understood the SPP Terms and Conditions and this Important Information, before you make the application payment by BPAY® or you submit your Acceptance Form with your application payment.
4. This SPP is non-renounceable. Applications can only be accepted in the name printed on the Application Form.
5. If you are a custodian, trustee or nominee within the definition of "custodian" in ASIC Class Order [CO 09/425] you must complete and submit an additional certificate certifying the matter sets out in paragraph 9 of ASIC Class Order [CO 09/425] (the "Certificate") before your application for Shares is accepted. The Certificate can be obtained by contacting the Registry: 08 9389 8033 (in Australia) or +61 8 9389 8033 (outside of Australia). Applications received by custodians that are not accompanied by the Certificate will be rejected.
6. For applicants that are not required to complete the Certificate, by submitting the Acceptance Application Form (with a cheque, bank draft or money order) or making payment by BPAY®, **you certify** that the aggregate of the payment made by you for:
  - the parcel of Shares indicated on the Acceptance Application Form or BPAY® payment; and
  - any other Shares applied for by you, or which you have instructed a Custodian to acquire on your behalf under the SPP or any other similar arrangement in the 12 months prior to the date of submission of the Acceptance Application Form or payment by BPAY® does not exceed A\$15,000.
7. Classic Minerals reserves the right to make amendments to this Application Form where appropriate.
8. Applicants are not assured of receiving the Shares for which they have applied as Classic Minerals may scale back applications in accordance with the SPP Terms and Conditions.

## How to Lodge your Acceptance Application Form and Application Payment

The Acceptance Form and the application payment must be received by the Registry no later than the closing date shown overleaf. If paying by BPAY® you do not need to complete or return the Application Form. You should check the processing cut off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry by the close of the offer.

### Mailing Address

Advanced Share Registry  
PO Box 1156  
Nedlands WA 6909

or

### Hand Delivery

Advanced Share Registry  
110 Stirling Highway  
Nedlands WA 6009

Make sure you send your Acceptance Form and application payment allowing enough time for mail delivery, so Advanced Share Registry Services Ltd receives them no later than 5:00pm (WST) on 12 March 2018. Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. Classic Minerals reserves the right not to process any Acceptance Forms and application payments received after the closing date referred to above.

**If you require information on how to complete this Application Form, please contact the Share Registry on: 08 9389 8033 (in Australia) or +61 8 9389 8033 (outside of Australia).**