

12<sup>th</sup> September 2018

Dear Shareholder

**Peel Mining Limited –non-renounceable rights issue**

As announced on 7 September 2018, Peel Mining Limited (ACN 119 343 734) (the **Company**) is undertaking a 1:8 non-renounceable rights issue (**Rights Issue** or **Offer**) of approximately 24,266,996 fully paid ordinary shares (**New Shares**) to raise approximately \$8,736,119. The price of New Shares under the Offer is 36 cents (\$0.36) each (**Issue Price**). The Company lodged a prospectus for the Offer (**Prospectus**) with ASIC and ASX on 10 September 2018.

The Offer is fully underwritten by Patersons Securities Limited (**Underwriter**). The Company must pay the Underwriter the following fees:

an underwriting fee equal to 4% of the total gross amount raised in the Offer;

an Issue Management Fee of 2.0 % of the total gross amount raised in the Offer;

a Corporate Advisory Fee of \$30,000 for its services in managing the Issue.

In addition to the fees set out above, the Company will reimburse the Underwriter for all costs and expenses incidental to the Offer.

The funds raised from the Offer are planned to be used in accordance with the table set out below:

Item	Proceeds of the Offer	Full Subscription (\$)	%
1.	Drill out and resource definition at the Wagga Tank/ Southern Nights prospect.	5,500,000	63%
2.	Regional exploration incl. Wagga Tank/ Southern Nights	1,000,000	11%
3.	Mallee Bull and CSP commitments till June 2019	700,000	8%
4.	Expenses of the Offer <sup>1</sup>	598,567	7%
5.	Working capital	937,552	11%
	<b>Total</b>	<b>8,736,119</b>	<b>100%</b>

The Offer is being made to all shareholders of the Company (**Shareholders**) named on its register of members at 5:00pm (WST) on 14 September 2018, whose registered address is in Australia or New Zealand.

**Peel Mining Limited ACN 119 343 734**

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New Shares will rank equally with all fully paid ordinary shares in the capital of the Company (**Shares**) already on issue.

Following completion of the Offer, the Company will have issued approximately 24,266,996 New Shares resulting in total Shares on issue of approximately 218,402,965 (included Shares to be issued pursuant to the Placement announced on 7 September 2018).

A copy of the Prospectus is available on ASX's and the Company's website. Eligible Shareholders will be mailed a Prospectus together with an Entitlement and Acceptance Form no later than 18 September 2018. Your entitlement will be set out on the personalised Entitlement and Acceptance Form accompanying the Prospectus.

For the purposes of calculating each Eligible Shareholders' entitlement, fractions of entitlements have been rounded to the nearest whole number of New Shares.

### **Actions required of Eligible Shareholders**

There are a number of actions Eligible Shareholders may take:

1. if you wish to accept all of your rights to subscribe for New Shares pursuant to the Prospectus (Entitlement):
  - (a) complete the Entitlement and Acceptance Form; and  
attach your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the amount indicated on the Entitlement and Acceptance Form; or
2. if you only wish to accept **part** of your Entitlement:
  - (b) fill in the number of Shares you wish to accept in the space provided on the Entitlement and Acceptance Form; and
  - (c) attach your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the appropriate application monies (at \$0.36 per Share); or
3. if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything. If you choose to do nothing with your Entitlement, while you will continue to hold the same number of Shares, your interest in the Company will be diluted and you will receive no value for your Entitlement.

If paying by cheque, all cheques must be drawn on an Australian bank or bank draft made payable in Australian currency to "Peel Mining Limited" and crossed "Not Negotiable". Your completed Entitlement and Acceptance Form and cheque must reach the Company's share registry no later than 2.00pm WST on the Closing Date set out in the timetable below.

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:



- (a) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form; and
- (b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your application monies.

**It is your responsibility to ensure that your BPAY® payment is received by the share registry by no later than 2.00pm (WST) on the Closing Date set out below. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment.**

Any application monies received for more than your final allocation of Shares (only where the amount is \$1.00 or greater) will be refunded. No interest will be paid on any application monies received or refunded.

### **Key dates for the Offer**

Lodgement of Prospectus with the ASIC	10th September 2018
Lodgement of Prospectus & Appendix 3B with ASX	10th September 2018
Notice sent to Shareholders	12th September 2018
Issue of Placement Shares	on or before 13th September 2018
Ex date	13th September 2018
Record Date for determining Entitlements	14th September 2018
Prospectus sent out to Shareholders & Company announces this has been completed	18th September 2018
Last day to extend Closing Date	25th September 2018
Closing Date*	2.00pm (WST) 28th September 2018
Shares quoted on a deferred settlement basis	1st October 2018
ASX notified of under subscriptions	3rd October 2018
Issue date/Shares entered into Shareholders' security holdings	4th October 2018
Quotation of Shares issued under the Offer*	5th October 2018

If you have any queries concerning the Rights Issue, or the action you are required to take to subscribe for New Shares, please contact your financial adviser or the Share Registry (Link Market Services Limited) on +61 1300 306 413.

Yours sincerely

**Robert Tyson**  
Managing Director