



Southern Crown Resources Limited
Level 4, 100 Albert Road
South Melbourne VIC 3205
P 03 9813 3882 F 03 9813 4882
ACN 143 416 531
E info@southerncrown.com.au
W southerncrown.com.au

11 May 2015

[Insert address]

Dear Shareholder

SOUTHERN CROWN RESOURCES LIMITED – PRO-RATA NON-RENOUNCEABLE RIGHTS ISSUE

As announced on 29 April 2015, Southern Crown Resources Limited (**Company**) is undertaking a non-renounceable entitlement issue of one (1) new share for every four (4) Shares held by Eligible Shareholders (**Offer**) registered at the Record Date (as defined in the timetable below) at an issue price of \$0.03 per Share (**New Share**). Fractional entitlements will be rounded up to the nearest whole number. The Company lodged an offer document for the Offer (**Offer Document**) with ASX on 11 May 2015. The Offer is not underwritten.

The issue price under the Offer is the same as the recently announced placement by the Company of approximately 10.75 million Shares to raise approximately \$322,500 (**Placement**).

Indicative use of proceeds of Offer

As a result of the Offer and Placement, the Company is raising approximately \$645,000.

The Company currently intends to apply the funds raised under the Offer predominantly to assist with the coverage of costs associated with the acquisition of ROMIO (announced on 29 April 2015) (**Transaction**), including costs associated with conducting due diligence investigations appropriate for the Transaction in both Australia and the United States and to supplement the Company's working capital so that the costs of undertaking the Transaction do not have a negative impact on the Company's working capital. Funds raised from the Offer will also be used to meet the expenses of the Offer, estimated to be approximately \$45,000.

Summary of the Entitlement Offer

The Offer is being made to all shareholders of the Company (**Shareholders**) named on its register of members at 5:00pm (WST) on 15 May 2015, whose registered address is in Australia or New Zealand.

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

On completion of the Offer, the Company will have issued approximately 10.75 million Shares, resulting in total Shares on issue of approximately 64.5 million¹.

A copy of the Offer Document is available on the website of the ASX (www.asx.com.au) and the Company (www.southerncrown.com.au). Eligible Shareholders will be mailed an Offer Document together with an Entitlement and Acceptance Form no later than 20 May 2015. Your entitlement will be set out on the personalised Entitlement and Acceptance Form accompanying the Offer Document.

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

Application for official quotation by ASX of the New Shares offered pursuant to the Offer Document will be made in accordance with the usual procedure. However, ASX has advised the Company that the New Shares issued under the Offer will not be quoted on ASX until the completion of the Transaction and the re-instatement to trading of the Company on ASX, or the termination of the Transaction.

ASX may also impose an escrow period in relation to any of Shares issued pursuant to the Offer and Placement, however any decision on escrow will not be known until after the Offer has closed. Further details are provided in the Offer Document.

Actions required of Eligible Shareholders

There are a number of actions Eligible Shareholders may take:

- You may wish to accept all of your rights to subscribe for New Shares pursuant to the Offer (**Entitlement**). To take up all or some of your Entitlements you will need to ensure your application money for the Entitlements you wish to take up is received by Computershare Investor Services Pty Limited (**Share Registry**) by no later than 5:00pm (WST) on 29 May 2015, by completing and returning your Entitlement and Acceptance Form together with 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 making a payment by BPAY in accordance with the instructions on your Entitlement and Acceptance Form. You may apply for New Shares in addition to your Entitlement under the Shortfall Offer by completing the Shortfall Offer section on the Entitlement and Acceptance Form and making payment as set out above (at \$0.03 per New Share).
- You may wish to accept part of your Entitlement. To take up part of your Entitlement you will need to ensure your application money for the Entitlements you wish to take up is received by the Share Registry no later than 5:00pm (WST) on 29 May 2015, by completing and returning your Entitlement and Acceptance Form by filling in the number of New Shares you wish to accept in the space provided on the Entitlement and Acceptance Form together with your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the appropriate application monies; OR making a payment by BPAY in accordance with the instructions on your Entitlement and Acceptance Form (at \$0.03 per New Share).
- You may do nothing. If you choose to do nothing with your Entitlements, 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.

¹ This number assumes that no Options are exercised prior to the Record Date, the Offer is fully subscribed and includes the issue of 10.75 million Shares under the Placement.

Key dates for the Offer

Event	Date**
Announcement of Offer	29 April 2015
Release of Offer Document, Cleansing Notice and Appendix 3B lodged with ASX (before market opens) Notice sent to Optionholders	11 May 2015
Notice sent to Shareholders	12 May 2015
Ex date (date from which securities commence trading without the Entitlement to participate in the Offer)	13 May 2015
Record Date (date for determining Entitlements of Eligible Shareholder to participate in the Offer)	15 May 2015
Offer Opening Date, Offer Document and personalised Entitlement and Acceptance Forms sent to Shareholders	20 May 2015
Closing Date* (Offer closes)	5.00pm (Perth time) 29 May 2015
Notification to ASX of Shortfall	3 June 2015
Issue date/New Shares entered into Shareholders' holdings	5 June 2015

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

** These dates are indicative only and are subject to change.

If you have any queries concerning the Offer, or the action you are required to take to subscribe for new shares, please contact your financial adviser or the Company on +61 3 9813 3882.

Yours sincerely



Rhod Grivas
Chairman