



22nd September 2015

Company Announcements
ASX Limited
Level 4, 20 Bridge Street
SYDNEY NSW 2000

By Electronic lodgement – 4 Pages

Letter to Eligible Shareholders

Please find attached, for release to the market, a copy of the Letter to Eligible Shareholders that will be distributed today.

Alex Sundich
Company Secretary
+61 2 8252 6177

| | | |
|--|-------------------|-----------------|
| Burleson Energy Limited | Registered Office | Mailing Address |
| ABN 73 117 770 475 | Level 6 | GPO Box 92 |
| Phone: +61 2 8252 6177 | 9 Barrack Street | SYDNEY NSW 2001 |
| Facsimile: +61 2 8252 6178 | SYDNEY NSW 2000 | Australia |
| www.burlesonenergy.com | Australia | |



22nd September 2015

Dear Shareholder

Burleson Energy Ltd – pro-rata renounceable rights issue

Burleson Energy Ltd (ACN (117 770 475)) (**BUR**) is undertaking a 1:1 pro rata renounceable rights issue (**Rights Issue** or **Offer**) of approximately 526,111,441 fully paid ordinary shares (**New Shares**) to raise approximately \$1,052,222. The price of New Shares under the Offer is \$0.002 each (**Issue Price**). The Company lodged a prospectus for the Offer (**Prospectus**) with ASIC and ASX on 18 September 2015.

The Offer is fully underwritten and lead managed by Patersons Securities Limited (**Underwriter**). The Company must pay the Underwriter an underwriting fee of 6% of the total amount raised pursuant to the Offer, a management fee of \$27,500 upon completion of the Offer and a monthly corporate advisory fee of \$4,500. The Company must also reimburse the Underwriter for costs incidental to the Offer.

Use of funds

| Item | Proceeds of the Offer | Full Subscription (\$) | % |
|------|------------------------------------|------------------------|---------------|
| 1. | Evaluation of new projects | 500,000 | 47.5% |
| 2. | Maintenance of existing assets | 300,000 | 28.5% |
| 3. | Expenses of the Offer ¹ | 125,005 | 11.9% |
| 4. | Working capital | 127,217 | 12.1% |
| | Total | \$1,052,222 | 100.0% |

The Offer is being made to all shareholders of the Company (**Shareholders**) named on its register of members at 7:00pm (AEST) on 25 September 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 (**Shares**) already on issue.

Following completion of the Offer, the Company will have issued approximately 526,111,441 New Shares resulting in total Shares on issue of approximately 1,052,222,882.

A copy of the Prospectus is available on ASX's and BUR's website. Eligible Shareholders will be mailed a Prospectus together with an Entitlement and Acceptance Form no later than

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30 September 2015. Your entitlement will be set out on the personalised Entitlement and Acceptance Form accompanying the Prospectus.

Actions required of Eligible Shareholders

There are a number of actions Eligible Shareholders may take:

- You may take up all or some of your rights to subscribe for New Shares pursuant to the Prospectus (**Entitlements**). 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 Boardroom Pty Limited (**Share Registry**) by no later than 7:00pm (AEST) on 25 September 2015, by either completing and returning your Entitlement and Acceptance Form together with your application money or making a payment by BPAY in accordance with the instructions on your Entitlement and Acceptance Form.
- You may seek to sell all or some of your Entitlements on ASX. You can seek to sell your Entitlements on ASX from 22 September 2015 until the close of market on 1 October 2015. To sell any of your Entitlements you need to contact your broker as soon as possible.
- You may transfer all or some of your Entitlements to another person other than on ASX. To transfer all or some of your Entitlements you will either need to contact your CHESSE Controlling Participant (usually your broker) and follow their instructions or complete a renunciation and transfer form (which can be obtained from Share Registry) and return it, together with the purchaser's cheque for the Entitlements they wish to take up so that it is received by the Share Registry by no later than 7:00pm (AEST) on 25 September 2015.
- 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.

Key dates for the Offer

| Event | Proposed Date |
|--|--|
| Lodgement of Prospectus with the ASIC | Friday, 18 Sept 2015 |
| Lodgement of Prospectus & Appendix 3B with ASX | Friday, 18 Sept 2015 |
| Notice sent to Optionholders | Friday, 18 Sept 2015 |
| Notice sent to Shareholders | Tuesday, 22 Sept 2015 |
| Ex date | Wednesday, 23 Sept 2015 |
| Rights start trading on a deferred settlement basis | Wednesday, 23 Sept 2015 |
| Record Date for determining Entitlements | 7.00pm (AEDST) on Friday, 25 Sept 2015 |
| Prospectus sent out to Shareholders & Company announces this has been completed | Wednesday, 30 Sept 2015 |
| Rights stop trading | Friday, 2 Oct 2015 |
| Shares quoted on a deferred settlement basis | Tuesday, 6 October 2015 |
| Last day to extend the Offer Closing Date | Wednesday, 7 Oct 2015 |
| Closing Date* | 5.00pm (AEDST) on Monday, 12 Oct 2015 |
| ASX notified of under subscriptions | Thursday, 15 Oct 2015 |
| Issue date/deferred settlement trading ends. Shares entered into Shareholders' security holdings | Monday, 19 Oct 2015 |

| | |
|---------------------------------------|----------------------|
| Normal T+3 trading of Shares starts * | Tuesday, 20 Oct 2015 |
|---------------------------------------|----------------------|

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 Alexander Sundich, BUR's Company Secretary, on + 61 2 8252 6177.

Yours sincerely



Alex Sundich
Company Secretary