



ANNOUNCEMENT

30 August 2016

UNMARKETABLE PARCEL SALE FACILITY

Mustang Resources Limited (**Mustang** or the **Company**) is pleased to announce that it has established a share sale facility for the holders of unmarketable parcels of the Company's shares. The sale facility is subject to the conditions set out in the attached notice.

Approximately 4,394 of the Company's 5,285 shareholders hold unmarketable parcels making up approximately 0.74% of the Company's fully paid ordinary shares on issue. By facilitating the sale of unmarketable parcels the Company expects to reduce the administrative costs associated with maintaining a large number of small shareholdings. The sale will also benefit the shareholders of unmarketable parcels who otherwise might find it difficult to sell their shares due to the small size of their holding. These shareholders will also avoid incurring any brokerage costs as these will be borne by the Company.

The Record Date for the purposes of establishing holders of unmarketable parcels has been set at 5:00pm WST on Thursday, 25 August 2016. An unmarketable parcel (which is a parcel of Mustang shares with a market value of less than \$500 on the record date) will be any shareholding of 13,158 shares or less.

Mustang is offering this facility to assist shareholders of unmarketable parcels to sell their Mustang shares without having to use a broker or incurring brokerage costs. Mustang will organise remittance of sale proceeds for those shareholders who take advantage of the facility. Any tax consequences from the sale will be the shareholder's responsibility. The shares will be sold at a price pursuant to the Company's constitution for the sale of minimum shareholdings.

Attached is a copy of the letter of Notice of Intention to Sell and Share Retention Form which will be sent to all shareholders holding an unmarketable parcel on the record date.

For and on behalf of the Board

Christiaan Jordaan

Managing Director

COMPANY INFORMATION

Mustang Resources Ltd

ABN 34 090 074 785

ASX Code: MUS

Current Shares on Issue:

323,749,913

Market Capitalisation

\$12.3 M as at 26 August 2016

COMPANY DIRECTORS

Ian Daymond
Chairman

Christiaan Jordaan
Managing Director

Cobus van Wyk
Director

Frank Petruzzelli
Director

Twitter: @Mustang_Res
mustangresources.com.au



30 August 2016

Dear Shareholder

IMPORTANT NOTICE – Sale of your Unmarketable Parcel of Mustang Resources Limited Shares

I am writing to advise you that Mustang Resources Limited (**Mustang** or the **Company**) has established a share sale facility (**Facility**) for holders of shares valued at less than \$500 as at close of trade on 25 August 2016 (**Unmarketable Parcels**). The facility is being established in accordance with the Company's Constitution and the ASX listing rules.

Mustang is offering the Facility to assist holders of Unmarketable Parcels to sell their shares. Holders of Unmarketable Parcels who take advantage of the facility will have their shares sold without having to act through a broker. The Company will arrange payment of the proceeds of the sale to be sent to you (although any tax consequences from the sale of your shares will be your responsibility).

Our records show that you held an Unmarketable Parcel based on the Mustang share price of \$0.038 as at close of trade on 25 August 2016 (**Record Date**). Unless you advise the Company that you do NOT wish to sell your shares within six (6) weeks from when this letter was sent, Mustang intends to sell your shares through the Facility in accordance with Clause 3.5 of the Company's Constitution and the Australian Securities Exchange Listing Rules. Payment will be sent to you following settlement of the sale or otherwise as soon as is practicable. The shares will be sold at the authorised price being the price per share of the Mustang securities equal to the simple average of the last sale prices of Mustang on ASX for each of the ten trading days immediately preceding the date of any offer received by the Company pursuant to Clause 2.7 of the Constitution.

What should you do?

If you do NOT wish to sell your shares through the Facility, you must complete and return the attached form to the address on the form so that it is received by 5.00 pm (Perth time) on 11 October 2016 (**Share Retention Form**). Please read the instructions on your personalised Share Retention Form carefully before completing it.

If you want to sell your shares through the Facility, you do not need to take any action. By refraining from taking any action, after the expiration of the time prescribed in the ASX Listing Rules and the Company's Constitution, you will be deemed to have irrevocably appointed the Company as your agent:

- (a) to sell all of your shares at a price to be determined by when and how the shares are sold; and
- (b) to deal with the proceeds of the sale as set out in the attached information pack.

If you need help deciding what to do, or if you require information regarding the financial, legal or tax consequences of participating in the Facility you should consult your legal, financial or taxation adviser. The attached information pack sets out further details of the Facility, which you should read before making any decision. You can also contact the Company Secretary on +61 8 9217 2400 if you have any queries about lodging your form or the practical operation of the Facility.

Yours sincerely

Christiaan Jordaan

Managing Director

INFORMATION PACK FOR THE UNMARKETABLE PARCEL SALE FACILITY

1. What is an Unmarketable Parcel of shares?

An unmarketable parcel of Shares is a holding of Mustang shares valued at less than \$500 as at close of trade on the Record Date. Based on the price of Mustang shares at the Record Date, this is a holding of 13,158 shares or less.

2. What price will I receive for shares sold through the Facility?

The price that you receive for your shares under the Facility will be determined by when and how the shares are sold. The shares will be sold at the authorised price being the price per share of the Mustang securities equal to the simple average of the last sale prices of Mustang on ASX for each of the ten trading days immediately preceding the date of any offer received by the Company pursuant to Clause 2.7 of the Constitution. Mustang directors may sell your shares on market or in any other way they consider fair and reasonable in the circumstances. You will not have control over the time at which your shares are sold, the price you receive may be different from the price appearing in the newspaper or quoted by ASX on any day, may not be the best price on the day that your shares are sold and may be an average price per share based on the price obtained for all the shares sold under the Facility.

3. What is the price of Mustang Resources Limited shares?

The last sale price of Mustang shares on Friday, 26 August 2016 was 0.038¢. The share price changes frequently and more recent prices are available in newspapers and from the ASX website (www.asx.com.au) under the ASX code "MUS".

4. When will the proceeds from the sale of shares be sent to me?

Payment will be sent to you following settlement of the sale or otherwise as soon as is practicable. Payment will be made in Australian dollars by cheque. You will be notified by way of a transaction confirmation statement of the number of your shares sold, and the price and total sale proceeds and any associated costs. The cheque will be sent by post to your address as shown in the share register at the time the share sale payment is run.

5. If I buy more shares, will I retain my holding?

Yes, Mustang will treat any purchase of additional shares to increase the value of a Mustang shareholding to more than \$500 as an indication that you do not want your shares to be sold through the Facility. For a purchase to be an effective notification that you wish to retain your shares, any additional shares must be registered by 5.00 pm (Perth time) on 11 October 2016 **under the same name and address and with the same holder number (SRN or HIN)** as set out in this letter. 2

6. What if my shares are held in a CHESS holding?

If your Shares remain in a CHESS holding at 5.00pm on 11 October 2016, the Company may move those Shares to an issuer sponsored holding and the Shares will be sold through the Facility.

7. Where can I get further information?

If you have any questions concerning your shareholding or how the Facility will work, please contact our Company Secretary, Robert Marusco, by telephone on +61 8 9217 2400.

8. Important notes

Mustang reserves the right to change any of the dates referred to in this letter by notice to the ASX.

This letter does not constitute advice nor a recommendation to buy, sell or hold shares nor that is the Facility the best way to sell Mustang shares.

If you are in any doubt about what to do, you should consult your legal, financial or taxation adviser.

NOTE:

If you currently have more than one holding on the Mustang share register, you may wish to consider amalgamating them. This may result in your amalgamated holding no longer being an Unmarketable Parcel. Under these circumstances your shares will not be sold as part of this facility.

MUS
MR SAM SAMPLE
UNIT 123
SAMPLE STREET
SAMPLETOWN NSW 2001

**Return your Form to the Company's
share registry:**

 **By Mail:**
Computershare Investor Services Pty Limited
GPO Box 52
Melbourne Victoria 3001
Australia

For all enquiries:

 **Phone:**
(within Australia) 08 9217 2400
(outside Australia) +61 8 9217 2400

Share Retention Form

 **If you wish to retain your shares, your form must be received by Tuesday, 11 October 2016**

This is an important document that requires your immediate attention. It can only be used in relation to the shareholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

Step 1: Shareholding Details

Use this form if you wish to retain your shares in Mustang Resources Limited. If you have recently bought or sold shares your shareholding may differ from that shown. If you have already sold all your shares in Mustang Resources Limited, do not complete or return this form. If you have more than one shareholding on Mustang Resources Limited's register and you do not wish to sell your shares under the Small Shareholding Sale Facility, you should consider consolidating them. For further advice on how to do this, contact Computershare Investor Services Pty Limited (CIS) on the number above.

Please check the details provided and update your address via www.investorcentre.com if any of the details are incorrect.

If you have a CHESS sponsored shareholding, please contact your Controlling Participant to notify a change of address.

Step 2: Signing Instructions

Individual: Where the shareholding is in one name, the shareholder must sign.

Joint Shareholding: Where the shareholding is in more than one name, all of the shareholders must sign.

Power of Attorney: Where signing as Power of Attorney (POA), you must attach an original certified copy of the POA to this form.

Companies: Where the shareholding is in the name of a Company, this form must be signed in accordance with the Corporations Act, either as:

- a Sole Director and Sole Company Secretary **OR** a Sole Director (if no Company Secretary exists), **OR**
- two Directors, **OR**
- a Director and Secretary.

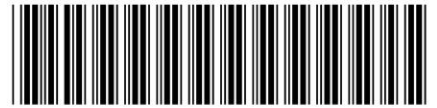
Overseas Companies: Where the shareholding is in the name of an Overseas company (companies incorporated outside Australia) the form must be signed as above, or documentation must be provided showing that the company can sign in an alternate manner.

Deceased Estate: Where the shareholding is in the name of a deceased estate, all executors must sign; and a certified copy or original, of the required documentation must accompany this form. Details of the documentation required can be found by searching "deceased estates" on our website www.computershare.com or by calling Computershare Investor Services Pty Limited on 1300 850 505 or +61 3 9415 4000. If the shareholding is in more than one name the surviving shareholder may sign the form and return it together with a certified copy of the death certificate of the other joint shareholder.

Step 3: Contact Details

Entering contact details is not compulsory, but will assist us if we need to contact you.

Turn over to complete the form ➔



I 1111111111

I ND

Share Retention Form

STEP 1**Shareholding Details**

MR SAM SAMPLE
UNIT 123
SAMPLE STREET
SAMPLETOWN NSW 2001



Change of address. If incorrect, mark this box and make the correction in the space to the left. Shareholders sponsored by a broker (reference number commences with 'X') should advise their broker of any changes.

Shares held as at Thursday, 25 August
2016:

2000

For your security keep your SRN/
HIN confidential.

STEP 2**Signature of Shareholder(s)**

This section must be completed.

By signing and returning this form, in accordance with the requirements set out in 'Step 2: Signing Instructions' overleaf, I/we confirm that I/we understand that my/our **SHARES WILL NOT BE SOLD** under the Small Shareholding Sale Facility.

Individual or Shareholder 1

Sole Director and Sole Company Secretary/
Sole Director (cross out titles as applicable)

Shareholder 2

Director

Shareholder 3

Director/Company Secretary
(cross out titles as applicable)

STEP 3**Contact Details**

Contact
Name

Contact
Daytime
Telephone

Date / /

Email
Address

Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited (CIS), as registrar for the securities issuers (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at <http://www.computershare.com/au>.