



outbackmetals

17 May 2010

Dear Optionholder,

1 for 3 Non-renounceable Rights Issue – Notice to Optionholders

The accompanying letter to shareholders details the non-renounceable rights issue (Offer) to be made by the Company to shareholders with a registered address in Australia or New Zealand.

The Offer is being made to shareholders as at 5:00pm (Sydney time) on Tuesday 25 May 2010 (Record Date) with a registered address in Australia or New Zealand.

Your options do not entitle you to participate in the Offer.

If you want an entitlement to participate in the Offer in respect of some or all of the shares underlying your options you will have to exercise that number of vested and exercisable options and pay the exercise price of 30 cents per share on or before close of business 25 May 2010.

If you do not want to participate in the Offer with respect to your options, you do not need to take any action.

If you are also a shareholder of the Company, you will be entitled to participate in the Offer with respect to the shares held by you on the Record Date.

Yours faithfully,

Graham Crisp
Executive Chairman
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