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12 March 2014

Dear Optionholder

**Erin Resources Limited - Pro-rata non-renounceable entitlement issue**

As announced today, Erin Resources Limited (ACN 116 800 269) (**Company**) is undertaking a pro-rata non-renounceable entitlement issue of two (2) fully paid ordinary shares in the capital of the Company for every three (3) shares held by Shareholders registered at the Record Date (**Entitlement Issue or Offer**). The Company will issue approximately 103,083,010 fully paid ordinary shares in the capital of the Company (**New Shares**) at an issue price of \$0.01 per New Share, to raise up to approximately \$1,030,831 (based on the number of shares on issue at the date of the Prospectus). The Offer will include one (1) free attaching Listed Option to acquire a share (**New Options**) for every four (4) New Shares subscribed for. The Company lodged a prospectus for the Offer (**Prospectus**) with ASIC and ASX on 12 March 2014. The Offer is fully underwritten by Argonaut Capital Ltd.

The funds raised from the Offer are planned to be used for exploration at Lingokoto and Bouroubourou, other exploration and tenement costs, general finance and administration costs and available working capital.

The Offer is being made to all shareholders of the Company (**Shareholders**) named on its register of members at 5:00pm (WST) on 21 March 2014, whose registered address is in Australia or New Zealand (**Eligible Shareholders**).

New Shares will rank equally with all fully paid ordinary shares in the capital of the Company (**Shares**) already on issue. New Options offered under the Prospectus are exercisable at \$0.02 each, on or before 30 June 2015.

Following completion of the Offer, the Company will have issued approximately 103,083,010 New Shares and 25,770,753 New Options resulting in approximately 257,707,524 total Shares on issue and approximately 110,344,934 total Options on issue.

**Optionholders**

The terms and conditions of the options you currently hold do not entitle you to participate in the Entitlement Issue unless you exercise your options in time for New Shares to be allotted and to be entered on the Company's register of members on or before 5:00pm on 21 March 2014 (**Record Date**).

To exercise your options and thereby participate in the Entitlement Issue, you will need to deliver the following to the Company at Level 7, 1008 Hay Street Perth, WA 6000:

- a) a notice of exercise of options (posted to you with your option certificates);
- b) an option certificate (where the options are certificated) or a copy of a holding statement (where the options are uncertificated) in respect of those options to be exercised; and
- c) payment for the exercise price in respect of those options to be exercised by way of a cheque made payable to "Erin Resources Ltd".

To ensure that your New Shares are allotted prior to the Record Date, the above must be received by the Company **no later than 17 March 2014**. If received after this date, allotment of New Shares prior to the Record Date cannot be assured.

Before deciding whether to exercise any or all of your options, you should read the Prospectus in its entirety. A copy of the Prospectus is available on ASX's and the Company's website.

This notice is important and requires immediate attention. If you have any queries concerning the Entitlement Issue, please contact your financial adviser or Rachel Jelleff, the Company's Company Secretary, on +61 8 9389 2000.

Yours sincerely



**Brett Mitchell**  
Executive Chairman