



22 July 2013

Dear Shareholder

## **PRO RATA RENOUNCEABLE ENTITLEMENTS ISSUE**

On 19 July 2013 **Charter Pacific Corporation Limited** (“**Charter Pacific**” or “**the Company**”) announced it is undertaking a pro rata renounceable entitlements issue of two (2) fully paid ordinary shares in the capital of the Company (“**New Share**”) for every three (3) fully paid ordinary share held by Shareholders at 5:00pm AEST on 30 July 2013 (“**Record Date**”) (“**Eligible Shareholders**”) at an issue price of A\$0.04 per New Share (“**Entitlements Issue**”). The Entitlements Issue will result in the issue of up to 82,236,806 New Shares; and, if fully subscribed, will raise approximately A\$3,289,472 before costs. New Shares, on issue, will rank equally with existing ordinary shares from the date of allotment.

Funds raised under the Entitlements Issue will be used by the Company to fund:

- Exploration campaign focusing on a trenching and RC drilling program at Permit 792 in Mauritania;
- Working capital and Corporate Overhead requirements; and
- Paying the costs of the Capital Raising.

An Offer Document relating to the Entitlements Issue (“**Offer Document**”) will be shortly lodged with Australian Securities Exchange Limited (“**ASX**”). The Offer Document will be mailed to all Eligible Shareholders on or about 6 August 2013. Full details of the Entitlement Issue are contained in the Offer Document, and Eligible Shareholders should carefully consider the Offer Document before deciding whether to acquire New Shares. Applications for New Shares can only be made on the personalised application form that will accompany the Offer Document.

The Offer Document will not constitute an offer in any place in which or to any person to whom it would be unlawful to make such an offer.

### **Capital Structure**

The capital structure of the Company following completion of the Entitlements Issue is summarised below:

<b>Ordinary Shares</b>	<b>Number</b>
Ordinary shares on issue before the Entitlements Issue	123,355,210
New Shares to be issued under the Entitlements Issue on a 1 for 2 basis	82,236,806
<b>Total Ordinary Shares on issue assuming fully subscribed</b>	<b>205,592,016</b>
<b>Options</b>	<b>Number</b>
Options on issue at the date of the Entitlements Issue	Nil
<b>Total Options on issue</b>	<b>Nil</b>



## Timetable

The Entitlements Issue is proposed to be conducted according to the following timetable:

<b>EVENT</b>	<b>DATE</b>
Announce pro rata issue and apply for quotation (Appendix 3B)	19 July 2013
Send Notice to Shareholders containing information required by Appendix 3B	22 July 2013
Shares commence trading on an Ex-entitlement basis	24 July 2013
Record Date to identify Shareholders entitled to participate in the issue. Rights trading commences	30 July 2013
Dispatch Offer Document and Entitlement Form to Shareholders	6 August 2013
Entitlements offer opening date	6 August 2013
Rights trading closes	23 August 2013
Entitlements offer closing date	30 August 2013
Notify ASX of under-subscriptions	4 September 2013
Dispatch date (advise ASX that despatch has occurred by noon)	9 September 2013

*Note: All of the abovementioned dates are indicative only and may be subject to change. The Company reserves the right to amend this timetable including, subject to the Corporations Act and the ASX Listing Rules, to extend the closing date.*

As soon as practicable following the Record Date, Charter Pacific will dispatch the Offer Document and personalised Entitlement and Acceptance Form to Eligible Shareholders. If you are eligible and wish to participate in the Entitlements Issue, it will be necessary for you to complete the Entitlement and Acceptance Form and return it, with the appropriate application monies to the Company's registered office before 5.00pm AEST on the anticipated closing date of 30 August 2013.

Shareholders may view the Company's ASX releases and Offer Document on the ASX website [www.asx.com.au](http://www.asx.com.au) (ASX code: **CHF**) and information on the Company and its projects (including ASX releases) at [www.charpac.com.au](http://www.charpac.com.au).

If you have any questions in relation to the Entitlements Issue, please do not hesitate to contact the Company on **+61 7 5538 2558** or consult with your stockbroker or professional financial adviser.

Yours Sincerely,

**Steven Cole**  
Company Secretary