



14 March 2013

Dear Shareholder

**NON RENOUNCEABLE PARTIALLY UNDERWRITTEN RIGHTS ISSUE**

On 14 March 2013, KUTh Energy Limited ABN 33 125 694 920 (**Company**) announced a non-renounceable rights issue to raise up to \$863,500.

Under the offer, existing shareholders of the Company can subscribe for one (1) new share for every two (2) ordinary shares that they hold at the record date (defined below) at an issue price of \$0.015 per share (**Rights Issue**).

Shareholder approval is not required for the Rights Issue. The shares issued will rank equally in all respects with the fully paid ordinary shares already on issue.

**Eligible Shareholders**

The Rights Issue will be offered to all shareholders of the Company with a registered address in Australia and New Zealand, at 7.00pm (Sydney time) on 22 March 2013 (**Eligible Shareholders**).

The Company regrets that, having considered the number of shareholders with registered addresses outside Australia and New Zealand (**non-Eligible Shareholders**), the number and value of the shareholdings held by those non-Eligible Shareholders, and the costs of complying with the laws and any requirements of any regulatory authority in each applicable jurisdiction, the Company considers it unreasonable to offer the Rights Issue to non-Eligible Shareholders.

The Directors thank you for your ongoing support of the Company.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'David McDonald', written over a light blue rectangular background.

David McDonald  
Managing Director