

White Eagle Resources Limited

24 December 2012

Market Announcements Platform
ASX Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000



ASX Code: ROS

Dear Shareholder

OPTIONHOLDERS PARTICIPATION IN PRO-RATA NON-RENOUNCEABLE RIGHTS ISSUE

Overview

The Directors of White Eagle Resources Limited (formerly Red October Resources Limited) (**White Eagle** or **the Company**) are pleased to announce a non-renounceable rights issue of shares to raise \$1,720,590 before costs.

White Eagle invites Shareholders who are registered at 5.00pm WST on Thursday, 3 January 2013 (**Registered Shareholders** at the **Record Date**) to participate in a pro-rata non-renounceable rights issue of fully paid ordinary shares in the Company (**Shares**) on the basis of one (1) new Share for one (1) existing Shares already held, at an issue price of 1 cent per Share (**Rights Issue**).

The Company has lodged an Offer Document in relation to the Rights Issue with ASX. The Company anticipates that the Offer Document will be dispatched to Shareholders of the Company on or about 7 January 2013. The Offer Document outlines the Rights Issue in detail.

The Rights Issue will enable Shareholders to increase their holding of Shares and presents a good opportunity for Shareholders to participate in the future development of the Company.

There is no inherent right in your options to participate in the Rights Issue, unless you exercise your options and are entered onto the register as a shareholder on or before the Record Date. The purpose of this letter is to give you notice prior to the Record Date in which you may exercise your options should you wish to participate in the Rights Issue.

If you wish to participate in the Rights Issue you must exercise your options in time for the new Shares to be allotted before the Record Date. To ensure that your new Shares are allotted before the Record Date your notice of exercise of option together with your cheque for the necessary amount must be received by the Company no later than Friday, 28 December 2012. Any notice of exercise of option received after this date cannot be assured of allotment before the Record Date.

White Eagle Resources Limited (formerly Red October Resources Ltd)

ACN 147 799 951

Address: Level 8, 225 St Georges Terrace, Perth WA 6000 Postal: PO Box 7653, Cloisters Square WA 6850

Telephone: 08 9486 4036 Facsimile: 08 9486 4799

If you do not wish to participate in the Rights Issue (in respect of your options) you do not need to take any action. Before deciding whether to exercise all or any of your options, you should consider the terms of the Rights Issue carefully and if in any doubt, consult with your professional advisor.

Key Dates

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

Announcement of Offer and lodgement of Appendix 3B	20 December 2012
Lodgement of Offer Document with ASIC and ASX	20 December 2012
Notice to Shareholders	24 December 2012
Notice to Optionholders	24 December 2012
Ex Date	27 December 2012
Rights Issue Record Date	3 January 2013
Dispatch of Offer Document and Entitlement & Acceptance Forms	7 January 2013
Rights Issue opens	7 January 2013
Rights Issue closes	25 January 2013
Shares quoted on a deferred settlement basis	29 January 2013
Notification of under-subscriptions to the ASX	30 January 2013
Allotment of Rights Issue Shares & dispatch of holding statements	31 January 2013

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 2001 and the ASX Listing Rules, to extend the closing date.

If you have any queries about the Rights Issue, please contact either the Company's Share Registry, Security Transfer Registrars Pty Limited, on +61 8 9315 2333 or the Company Secretary, Mr Matthew Foy, on +61 8 9486 4036.

For and on behalf of

White Eagle Resources Limited

Matthew Foy
Company Secretary

For more information on the Company visit www.redoctober.net.au