

24 April 2012

Dear Shareholders

## ACCEPT

### Wah Nam has increased its shareholding in Brockman Resources to over 80%

I am writing to update you on the progress of the takeover offer by Wah Nam International Australia Pty Ltd ("**Wah Nam**").

As you are aware, on 12 December 2011, Wah Nam announced its intention to make a takeover offer for the remaining shares in Brockman Resources Limited ("**Brockman**") that it does not already own ("**Wah Nam's Offer**" or the "**Offer**"), and made the Offer on 21 December 2011. Wah Nam's Offer is A\$1.50 cash and 18 Wah Nam shares for every Brockman share held.

Since my last correspondence to you on 19 March 2012, Wah Nam's shareholding in Brockman has increased to 83.53% as at 23 April 2012. Consequently, if you accept or have already accepted Wah Nam's Offer, you may be eligible for capital gains tax rollover relief on the scrip element of the Offer consideration that you receive. You are encouraged to refer to section 10.1 of Wah Nam's Bidder's Statement for further information relating to the capital gains tax rollover relief and if appropriate, to seek independent financial advice on this matter.

If you have yet to accept the Offer, the Independent Directors unanimously recommend you **ACCEPT** Wah Nam's Offer as soon as possible. You should have recently received a letter from Wah Nam dated 13 April 2012 which enclosed a fresh Offer acceptance form. Please refer to Wah Nam's letter, or the Bidder's Statement, for instructions on how to accept the Offer.

### Extension of Wah Nam's Offer

On 23 April 2012, Wah Nam extended the Offer period. If you have not already accepted the Offer, you now have until **4:00pm (WST) on 31 May 2012** to accept the Offer.

The Independent Directors unanimously recommend you **ACCEPT** Wah Nam's Offer as soon as possible.

### Why you should ACCEPT the Offer

The Brockman Independent Directors recommend that **you should ACCEPT the Offer** for the following reasons:

1. Wah Nam's Offer and the takeover contracts arising from acceptance of the Offer are now unconditional.
2. Wah Nam's Offer represents a premium to the price of Brockman shares on the ASX at the time the Offer was made and on 23 April 2012.
3. Wah Nam's Offer will simplify the current shareholder structure, which should improve funding options to develop the Marillana Project.

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4. Wah Nam's Offer provides immediate value certainty via the A\$1.50 cash component as well as retaining some exposure to the potential upside of Brockman's Marillana iron ore project via the 18 Wah Nam Shares scrip component.
5. The Independent Expert has determined that Wah Nam's Offer is fair and reasonable.
6. No superior proposal has emerged from another party, and none is likely to emerge.
7. Wah Nam's Offer has the unanimous support of the Independent Directors.
8. There are risks in not accepting Wah Nam's Offer, which may include liquidity in Brockman declining even further, potentially making it more difficult to sell your Brockman shares after the Offer period ends.
9. If Brockman has less than the required spread of shareholders under the ASX Listing Rules, Wah Nam has indicated that it intends to seek to remove Brockman from the official list of ASX. If you are not able to trade your Brockman shares on ASX this may also make it more difficult to sell your Brockman shares after the Offer period ends.
10. If Wah Nam acquires more than 90% of Brockman, it may be entitled to acquire your Brockman shares through compulsory acquisition (please refer to section 8 of Bidder's Statement and section 6.15 of the Target's Statement for further information).

I strongly encourage you to read both the Bidder's Statement and Target's Statement, and the First, Second and Third Supplementary Bidder's Statements and the First Supplementary Target's Statement when considering the merits of the Offer. Together with the other Independent Directors, I recommend that you **ACCEPT** the Offer.

If you have any queries in relation to Wah Nam's Offer, you can call 1300 554 240 (for calls made from inside Australia) or +61 3 9415 4337 (for calls made from outside Australia). We will also post updates on our website at [www.brockman.com.au](http://www.brockman.com.au).

Yours sincerely,



**Ross Norgard**  
**Non-Executive Joint Deputy Chairman**  
***Brockman Resources Limited***