



29 November 2019

The Manager
ASX Limited
Level 40, Central Park
152-158 St George's Terrace
PERTH WA 6000

LETTER TO ELIGIBLE AND INELIGIBLE SHAREHOLDERS

The Company advises that the following two letters have been sent in relation to the Non-Renounceable Rights Issue announced on 28 November 2019:

- a) Letter to shareholders who have registered addresses in Australia, New Zealand and United Kingdom as at the Record Date of 5:00pm (WST) on 3 December 2019, and are eligible to participate in the Rights Issue (Eligible Shareholders); and
- b) Letter to shareholders who have registered addresses outside Australia, New Zealand and United Kingdom as at the Record Date of 5:00pm (WST) on 3 December 2019 and are not entitled to participate in the Rights Issue (Ineligible Shareholders).

Yours faithfully

Dennis Wilkins
Company Secretary



29 November 2019

Dear Shareholder

Alkane Resources Ltd Rights Issue – Notification to eligible shareholders

On 28 November 2019, Alkane Resources Ltd (ABN 35 000 689 216) (**Alkane** or the **Company**) announced it will be undertaking a traditional 1 for 8 non-renounceable pro rata rights issue of fully paid ordinary shares in Alkane (**New Shares**) at a price of A\$0.55 per New Share (**Offer Price**) to raise approximately A\$34.8 million (**Rights Issue**). The Rights Issue is open to Eligible Shareholders (as defined below) who may also apply for additional New Shares (**Additional Shares**) in excess of their entitlement under the Rights Issue (**Entitlement**).

The proceeds of the Rights Issue will be used for the following (as announced by Alkane on 28 November 2019):

- Accelerated resource drilling across the Tomingley Corridor ahead of underground mining at Roswell and San Antonio;
- The development of an underground exploration decline (approvals expected by no later than January 2020) to drive underground from the existing Wyoming one underground mine to Roswell and San Antonio, also testing several underground exploration targets between Tomingley and Roswell. The exploration decline will be suitable for mining operations once all underground mining approvals are in place (targeted Q2 2021);
- The purchase of land over a section of the Tomingley Corridor (that land currently being under option) which will be suitable for a ventilation rise to support the underground decline;
- Accelerated regional exploration including step out drilling at Boda and exploration of other porphyry targets across Alkane's North Molong Porphyry Project; and
- Remaining funds to be applied to general working capital requirements, costs related to the Offer and contingent corporate purposes.

The Rights Issue is not underwritten. Alkane's largest shareholder, Abbotsleigh Pty Ltd (**Abbotsleigh**), an entity associated with Mr Ian Gandel (a director of Alkane), which has a shareholding of approximately 22.38%, has committed to subscribe for its full pro-rata Entitlement. In addition, all directors of Alkane who are shareholders intend to participate in the Rights Issue to the full extent of their Entitlement, subject to compliance with the Corporations Act.

Up to a total of 63,262,028 New Shares and Additional Shares will be issued and which will at the time of issue rank pari passu with existing fully paid ordinary shares in Alkane (**Existing Shares**). For the purposes of calculating each Eligible Shareholders' Entitlement, fractions of Entitlements will be rounded up to the nearest whole number of New Shares.

The Rights Issue will close at 5.00pm (WST) on 13 December 2019 (unless lawfully extended).

Eligible shareholders

Shareholders of the Company who are eligible to participate in the Rights Issue (**Eligible Shareholders**) are shareholders who:

- are registered as a holder of Existing Shares as at 5.00pm (WST) on 3 December 2019 (**Record Date**);
- as at the Record Date, have a registered address in Australia, New Zealand and the United Kingdom;
- are not in the United States or acting for the account or benefit of a person in the United States (to the extent such person holds ordinary shares in the Company for the account or benefit of such person in the United States); and
- are eligible under all applicable securities laws to receive an offer under the Rights Issue without any requirement for a prospectus or disclosure document to be lodged or registered.

Shareholders resident in Australia, New Zealand or the United Kingdom holding existing Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up an Entitlement under the Offer does not breach regulations in the



relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

All other holders of Existing Shares are not eligible to participate in the Rights Issue (**Ineligible Shareholders**).

Details of the Rights Issue

Key details of the Rights Issue are set out in the ASX announcement dated 28 November 2019 which is available on the Company's website and also on the ASX website.

Full details of the Rights Issue including details about how to apply are outlined in the offer document dated 28 November 2019 in relation to the Rights Issue (**Offer Document**). The Offer Document together with an Entitlement and Acceptance Form is expected to be mailed to all Eligible Shareholders on 4 December 2019. Eligible Shareholders should read the Offer Document carefully and consult their stockbroker, accountant or other independent professional adviser before making any investment decision.

Key dates for the Rights Issue

Event	Date
Announcement of Capital Raising (Trading Halt lifted)	28 November 2019
Lodgement of Offer Document, Appendix 3B and Cleansing Notice with ASX	28 November 2019
Notice sent to security holders	29 November 2019
Ex-date	2 December 2019
Record Date for determining Entitlements	3 December 2019
Rights Issue Opens, Offer Document sent to Eligible Shareholders and Company announces this has been completed	4 December 2019
Settlement of New Shares Issued Under Placement and release of Cleansing Notice for Placement Shares	5 December 2019
Rights Issue Closes (5pm WST)*	13 December 2019
New Shares quoted on a deferred settlement basis	16 December 2019
ASX notified of any Shortfall	18 December 2019
Issue date of New Shares	19 December 2019
Quotation of New Shares issued under the Rights Issue	20 December 2019
General Meeting to approve the participation of Abbotsleigh in the Placement	Early January 2020

Notes:

* Subject to the ASX Listing Rules, the Alkane directors reserve the right to extend the Closing Date for the Rights Issue at their discretion. Should this occur, the extension will have a consequential effect on the anticipated date of issue for the New Shares.

** These dates are indicative only and are subject to change.

Further information

If you have any questions in relation to any of the above matters and this notice, please contact either the share registry, Advanced Share Registry on admin@advancedshare.com.au or +61 8 9389 8033 or the Company Secretary, Dennis Wilkins on dwilkins@alkane.com.au or +61 8 9227 5677 or contact your stockbroker, accountant or other independent professional adviser.

Yours faithfully,
for **ALKANE RESOURCES LTD**

Dennis Wilkins
Company Secretary



NOT FOR RELEASE OR DISTRIBUTION IN THE UNITED STATES

This notice is issued by Alkane Resources Ltd ABN 35 000 689 216 (**Alkane**). This notice is not a prospectus or offering document under Australian law or under any other law. It is for information purposes only and does not constitute an offer, invitation or recommendation to subscribe for, retain or purchase any securities in Alkane in any jurisdiction.

This notice does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Neither the Entitlements nor the New Shares have been, nor will be, registered under the U.S. Securities Act of 1933 (the **Securities Act**) or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold, directly or indirectly, in the United States, unless they have been registered under the Securities Act, or are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws.

Note: The provision of this document is not, and should not be considered as, financial product advice. The information in this document is general information only, and does not take into account your individual objectives, taxation position, financial situation or needs. Before acting on the information, you should consider the appropriateness of the information, having regard to your objectives, taxation position, financial situation or needs.



29 November 2019

Dear Shareholder

Alkane Resources Ltd Rights Issue – Notification to ineligible shareholders

On 28 November 2019, Alkane Resources Ltd (ABN 35 000 689 216) (**Alkane** or the **Company**) announced a traditional non-renounceable pro rata rights issue (**Rights Issue**) to raise up to approximately A\$34.8 million. Under the Rights Issue, new fully paid ordinary shares in Alkane (**New Shares**) are being offered at an offer price of A\$0.55 per New Share (**Offer Price**).

This notice is to inform you about the Rights Issue, and to explain: (1) why you will not be eligible to subscribe for New Shares under the Rights Issue; and (2) why you will not be sent a copy of the disclosure materials relating to the Rights Issue. This notice is not an offer to issue entitlements under the Rights Issue (**Entitlements**) or New Shares to you, nor an invitation for you to apply for Entitlements or New Shares. **You are not required to do anything in response to this notice.**

1. Details of the Rights Issue

The Rights Issue is being made pursuant to an offer document sent to eligible shareholders of the Company (**Eligible Shareholders**) on or about Wednesday, 4 December 2019 (**Offer Document**). The Rights Issue is being made to Eligible Shareholders, as outlined below, on the basis of 1 New Share for every 8 existing Alkane shares held at 5.00pm (WST time) on Tuesday, 3 December 2019 (**Record Date**). Eligible Shareholders may also subscribe for additional New Shares in excess of their Entitlement.

2. Eligibility criteria

Shareholders who are eligible to participate in the Rights Issue are Alkane shareholders who:

- a) are registered as a shareholder of Alkane as at 5.00pm (WST) on the Record Date;
- b) have a registered address on the share register of the Company in Australia, New Zealand or the United Kingdom;
- c) are not in the United States or acting for the account or benefit of a person in the United States (to the extent such person holds ordinary shares in the Company for the account or benefit of such person in the United States); and
- d) are eligible under all applicable securities laws to receive an offer under the Rights Issue without any requirement for a prospectus or disclosure document to be lodged or registered.



The restrictions upon eligibility to participate in the Rights Issue arise because of the legal and regulatory requirements in countries other than Australia, New Zealand and the United Kingdom and the potential costs to Alkane of complying with these legal and regulatory requirements. Alkane has determined, pursuant to Listing Rule 7.7.1(a) of the ASX Listing Rules and section 9A(3) of the *Corporations Act 2001* (Cth) (**Corporations Act**), that it would be unreasonable to make or extend offers to Alkane shareholders in countries other than Australia, New Zealand and the United Kingdom.

Unfortunately, according to our records, you do not satisfy the eligibility criteria to be an Eligible Shareholder, as stated above. Accordingly, Alkane is unable to extend to you the opportunity to subscribe for New Shares in the Rights Issue, and you will not be sent a copy of the Offer Document.

3. Further information

If you have any questions in relation to any of the above matters and this notice, please contact either the share registry, Advanced Share Registry on admin@advancedshare.com.au or +61 8 9389 8033 or the Company Secretary, Dennis Wilkins on dwilkins@alkane.com.au or +61 8 9227 5677 or contact your stockbroker, accountant or other independent professional adviser.

On behalf of the directors of Alkane, I thank you for your continued support of Alkane.

Yours faithfully,
for **ALKANE RESOURCES LTD**

Dennis Wilkins
Company Secretary

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This notice does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Neither the Entitlements nor the New Shares have been, nor will be, registered under the U.S. Securities Act of 1933 (the **Securities Act**) or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold, directly or indirectly, in the United States, unless they have been registered under the Securities Act, or are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws.

Note: The provision of this document is not, and should not be considered as, financial product advice. The information in this document is general information only, and does not take into account your individual objectives, taxation position, financial situation or needs. Before acting on the information, you should consider the appropriateness of the information, having regard to your objectives, taxation position, financial situation or needs.