



19 October 2015

Dear Shareholder

## **Cohiba Minerals Limited Pro-Rata Non-Renounceable Rights Issue**

On Friday 16 October 2015, Cohiba Minerals Limited ACN 149 026 308 (**Cohiba** or the **Company**) announced that it would undertake a pro-rata non-renounceable rights issue on a 1-for-2 basis (**Offer**) to holders of ordinary shares (**Shares**) in the Company (**Shareholders**) with a registered address in Australia or New Zealand (**Eligible Shareholders**) as at 7:00pm (Melbourne time) on Thursday 22 October 2015 (**Record Date**).

The Company has prepared an Offer Document in relation to the Offer. The Offer Document was lodged with the Australian Securities Exchange (**ASX**) on Friday 16 October 2015, and a copy is available on the ASX website at [www.asx.com.au](http://www.asx.com.au) (ASX: CHK).

The Offer Document will be despatched to Eligible Shareholders in Australia and New Zealand on Monday 26 October 2015.

### **Treatment of ineligible shareholders**

The Company has determined that it would be unreasonable to extend the Offer to shareholders with a registered address outside Australia or New Zealand, (**Ineligible Shareholders**) having regard to:

- the small number of shareholders with addresses in such other countries;
- the number and value of the shares they hold; and
- the cost to the Company of complying with applicable legal and regulatory requirements in such other countries.

Accordingly, Eligible Shareholders are those shareholders who:

- will be on the Company's register of shareholders as at the Record Date; and
- have a registered address in Australia or New Zealand.

### **Details of the Offer**

Pursuant to the Offer, which is made on a 1-for-2 basis, the Company will issue up to 48,225,000 fully paid ordinary Shares (**New Shares**) in the capital of the Company at an issue price of \$0.015 each, to raise up to \$723,375 (before costs of the Offer).

The rights issue offers Eligible Shareholders the right to take up 1 New Share for every 2 Shares held as at the Record Date at an issue price of \$0.015 per New Share (**Entitlement**). The right to subscribe for New Shares in accordance with an Entitlement under the Offer will be non-renounceable.

The Offer will not be underwritten. In the event that following the close of the Offer, a shortfall remains, the Directors reserve the right to place such shortfall shares at their discretion with persons interested in subscribing for shares in the Company within 3 months of the close of the Offer, in accordance with the allocation policy described in the Offer Document, which is designed to mitigate potential control effects of any shortfall placement. The New Shares issued under the Offer will be fully paid and will rank equally with the Company's existing Shares. The Company will make an application to the ASX for official quotation of the New Shares.

The number of Shares on issue in the Company at the date of this letter and the total number of Shares that will be on issue in the Company following the Offer, assuming the Offer is fully subscribed, are as follows:

<b>EVENT</b>	<b>NO. OF SHARES</b>
Shares on issue at date of Offer Document	96,449,999
Maximum New Shares issued pursuant to the Offer	48,225,000
<b>Maximum total Shares on issue after completion of the Offer</b>	<b>144,674,999</b>

### **Purpose of Offer and use of funds**

Cohiba is making the Offer to raise funds. After payment of the costs and expenses of the Offer, the proceeds from the Rights Issue will firstly be used to strengthen Cohiba's balance sheet and discharge current liabilities. Any remaining funds will be applied to meet Cohiba's general working capital requirements, including payment of overheads, and to enable the Company to implement and execute its business objectives.

### **Offer timetable**

<b>EVENT</b>	<b>DATE (2015)</b>
Announcement of the Offer	Friday 16 October
Lodgement of the following documents with ASX: <ul style="list-style-type: none"> <li>• an Appendix 3B;</li> <li>• this Offer Document; and</li> <li>• a cleansing notice under section 708AA(2)(f) of the Corporations Act</li> </ul>	Friday 16 October
Notice sent to Shareholders containing ASX Appendix 3B details and indicative timetable	Monday 19 October
"Ex" date where the Company's existing shares will commence trading without the entitlement to participate in the Offer	Tuesday 20 October
Record date to determine Entitlements under the Offer	7.00pm (Melbourne time) Thursday 22 October
Opening Date for the Rights Issue	Monday 26 October
Mailing of Offer Document and Entitlement and Acceptance Form to Eligible Shareholders	
Last day to extend Rights Issue Closing Date	Thursday 5 November
Closing Date for the Rights Issue	5.00pm (Melbourne time) Tuesday 10 November
Shares quoted on a deferred settlement basis	Wednesday 11 November
ASX notified of under subscriptions	Friday 13 November
New Shares for which valid applications have been received and accepted by the Company will be issued	Tuesday 17 November
Deferred settlement trading ends	Tuesday 17 November
Normal trading of New Shares on ASX expected to commence	Wednesday 18 November
Mail out of holding statements for the New Shares	Tuesday 24 November
Deadline for placement of remaining shortfall	Wednesday 10 February 2016

This timetable is indicative only and subject to change. Subject to the Corporations Act and the ASX Listing Rules, the Company reserves the right to vary these dates, including the closing date of the Offer, without prior notice.

The Company also reserves the right not to proceed with the whole or part of the Offer at any time prior to the issue date. In that event, application monies will be refunded in full without interest.

### **Dealing with Entitlements**

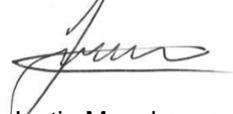
Eligible Shareholders have the following alternatives available in relation to the Rights Issue:

1. accept their Entitlement in full;
2. partially accept their Entitlement; or
3. allow their Entitlement to lapse.

To the extent that Shareholders do not take up their Entitlement, their interest in the Company will be diluted.

Full details of the terms and conditions of the Offer will be contained in the Offer Document lodged with ASX and to be despatched to Eligible Shareholders in accordance with the timetable set out above.

Yours faithfully



Justin Mouchacca  
**Company Secretary**