



CASSINI RESOURCES LIMITED

18 October 2016

Dear Shareholder

INVITATION TO PARTICIPATE IN A SHARE PURCHASE PLAN

On 17 October 2016 Cassini Resources Limited (**Cassini** or the **Company**) announced its intention to offer existing Cassini shareholders (**Shareholders**) the opportunity to participate in a Share Purchase Plan at a price of \$0.045 per fully paid ordinary share (**Share**) to subscribe for additional Shares to raise up to a maximum of \$2.5million via the issue of up to 55.56 million Shares (the **Plan** or the **Offer**).

The Company is now pleased to make the Offer to eligible Shareholders (defined below). Details of the Offer are set out in this letter and the enclosed Terms and Conditions together with a Share Purchase Plan Application Form.

The Plan is targeting to raise up to a maximum of \$2.5million (subject to the maximum permitted under the ASX Listing Rules). If total demand for the Plan exceeds \$2.5million, the Company reserves the right to close the Offer early and scale back applications in its absolute and sole discretion. When determining the amount (if any) by which to scale back a Plan application, the Company may take into account a number of factors, including the size of an applicant's shareholding in the Company, the extent to which an applicant has sold or bought additional shares in the Company after the Plan record date and the date on which an application was made.

In the event an application is rejected or scaled back, the Company will refund the relevant application monies received by the Company (without interest).

Shareholders Eligible to Participate in the Plan

The right to participate in the Plan is available exclusively to Shareholders who are registered as holders of Shares as at 5.00 pm (WST) on Friday 14 October 2016 (**Record Date**), and whose registered address is in Australia or New Zealand (**Eligible Shareholders**). Participation in the Plan is optional.

Share Purchase Plan

The Plan entitles Eligible Shareholders, irrespective of the size of their shareholding, to purchase up to \$15,000 worth of Shares at an issue price of \$0.045 per Share free of brokerage and commission. The issue price represents a 19.6% discount to both the closing price of Shares on the ASX on the day immediately prior to the announcement date of the Offer and the volume weighted average market price (**VWAP**) for the Shares, calculated over the 5 days on which sales in the Shares were recorded before the day on which the issue was announced, being \$0.056.

The closing date of the Offer is 5.00 pm (WST) on Monday 7 November 2016 (unless varied by the Company) (**Closing Date**) and Eligible Shareholders must ensure they apply for Shares prior to the Closing Date. Cassini also reserves the right to scale back or reject valid applications in its absolute and sole discretion. In the event an application is rejected or scaled back, the Company will refund the relevant application monies received by the Company (without interest).

Current Activities

Details of the Company's current activities are set out in the announcements made by Cassini Resources Limited to the ASX and are available from the ASX or Cassini's website at www.cassiniresources.com.au.

Use of Funds

The funds raised under the Plan will be used by the Company for:

- (a) exploration activities for Cassini Projects that do not form part of the OZ Minerals Earnin/ Joint Venture agreement, and
- (b) general working capital.

How much can you invest?

Under the Plan, Eligible Shareholders may only acquire a maximum of up to \$15,000 worth of Shares under the Plan.

Subscription and Application Procedure

If you would like to participate in the Offer, please follow the application instructions on the enclosed Share Purchase Plan Application Form. Please note that the **Closing Date of the Offer is 5.00 pm (WST) on Monday, 7 November 2016**. No applications will be accepted after this time (unless the Closing Date is extended).

Eligible Shareholders may participate by selecting one of the following Offers to purchase Shares under the Plan:

	AMOUNT	NUMBER OF SHARES
Offer A	\$15,000	333,333
Offer B	\$10,000	222,222
Offer C	\$5,000	111,111
Offer D	\$2,000	44,444

The number of Shares to which you are entitled is calculated by dividing the subscription amount you have elected by the purchase price per Share. Fractional entitlements will be rounded down.

Once an application has been made it cannot be revoked. All valid applications shall be deemed accepted if received before the Closing Date, however if total demand for the Plan exceeds \$2.5million, the Company reserves the right to close the Offer early and scale back applications in its absolute and sole discretion. When determining the amount (if any) by which to scale back a Plan application, the Company may take into account a number of factors, including the size of an applicant's shareholding in the Company, the extent to which an applicant has sold or bought additional shares in the Company after the Record Date and the date on which an application was made. Cassini reserves the right to return your Application Form and/or payment and will not issue any Shares to you. If the exact amount of money is not tendered with your application, the Company reserves the right to either:

- (a) return your Application Form and/or payment and not issue any Shares to you; or
- (b) issue to you the number of Shares that would have been issued had you applied for the highest designated amount that is less than the amount of your payment and refund the excess application money to you by cheque as soon as possible, without interest.

You can apply for Shares and make your payment utilising one of the payment options detailed in the Share Purchase Plan Application Form (accompanying this letter), including:

- (a) BPAY® payment via internet or phone banking if you are an Australian holder. New Zealand holders will not be able to make a payment using BPAY®. You must quote your reference number which is on the Share Purchase Plan Application Form. If you have multiple holdings you will have multiple BPAY® reference numbers. If you inadvertently use the same reference number for more than one of your applications, you will be deemed to have applied only for that application to which that reference number applies and any excess amount will be refunded. **If you make your payment using Bpay® you do not need to return your Application Form.** Applicants should be

aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment (payments may be processed overnight). It is your responsibility to ensure payment is received by **5.00 pm (WST) on Monday 7 November 2016**; or

- (b) Cheque, bank draft or money order in Australian dollars. Please make your cheque, bank draft or money order payable to “**Cassini Resources Limited**” and ensure cheques are crossed “**Not Negotiable**”. If you are paying by cheque, the cheque and the accompanying Share Purchase Plan Application Form must be received by the Company by no later than **5.00 pm (WST) on Monday 7 November 2016**.

Before applying for Shares and making payment, please read the Share Purchase Plan Application Form accompanying this letter.

Once an application has been submitted it cannot be recalled. If total demand for the Plan exceeds \$2.5million, the Company reserves the right to close the Offer early and scale back applications in its absolute and sole discretion. When determining the amount (if any) by which to scale back a Plan application, the Company may take into account a number of factors, including the size of an applicant’s shareholding in the Company, the extent to which an applicant has sold or bought additional shares in the Company after the Plan record date and the date on which an application was made.

The maximum investment each Eligible Shareholder may apply for will remain \$15,000 even if a Shareholder receives more than one Offer (whether in respect of a joint holding or because the Shareholder has more than one holding under a separate account). It is the responsibility of the applicant to ensure that the aggregate of the application price paid for the Shares the subject of the application and any other shares and interests in the class applied for by you under the Plan or any similar arrangement in the 12 months prior to the date of submission does not exceed \$15,000.

Calculation of the Issue Price and Acceptance of Risk Factors

The issue price of the Shares under the Offer is \$0.045, which represents a 19.6% discount to both the closing price of Shares on the ASX on the business day immediately prior to the announcement of the Offer and the volume weighted average market price (**VWAP**) for the Shares, calculated over the 5 days on which sales in the Shares were recorded before the day on which the issue was announced, being \$0.056.

The market price of the Shares in the Company may rise and fall between the date of the Offer and the date that any Shares are issued to you as a result of your acceptance of this Offer.

By accepting the Offer and applying for Shares under the Plan, each Eligible Shareholder will be acknowledging that Shares are a speculative investment and the price of Shares on the ASX may change between the date of the Company announcing its intention to make an Offer and the date of issue of Shares under that Offer and that the price and/or value of the Shares received under the Plan may rise or fall accordingly.

The Board recommends that you obtain your own independent financial advice in relation to the Offer and consider price movements of Shares in the Company prior to accepting this Offer.

Additional Information and Important Dates

The offer of Shares under the Plan is made in accordance with ASIC Class Order 09/425 and therefore does not require a prospectus for the purposes of Chapter 6D of the Corporations Act (2001) (Cth) (**Corporations Act**).

The Offer is non-renounceable (i.e. Eligible Shareholders may not transfer their rights to any Shares offered under the Plan) and the Directors of the Company reserve the right to reject or scale back any application over \$15,000 or any application that does not correspond with an Offer made under the Plan (\$2,000, \$5,000, \$10,000 or \$15,000). Shares issued under the Plan will be issued as soon as practicable after the Closing Date of the Offer. Application for quotation on the ASX of the new Shares will be made immediately following the issue of those Shares.

The maximum number of Shares that may be issued pursuant to this Offer is 55,555,555 being 25.1% of the Company’s issued share capital, to raise a maximum of \$2.5million.

Shares issued under the Plan will rank equally in all respects with all other fully paid ordinary shares in the Company from the date of issue and will be issued as soon as reasonably practicable after the Closing Date.

Once an application has been made it cannot be revoked. All valid applications shall be deemed accepted if received before the Closing Date of 5.00pm WST on Monday 7 November 2016, except to the extent that the Company reserves the right to close the Offer early and scale back applications in its absolute and sole discretion. When determining the amount (if any) by which to scale back a Plan application, the Company may take into account a number of factors, including the size of an applicant's shareholding in the Company, the extent to which an applicant has sold or bought additional shares in the Company after the Record Date and the date on which an application was made.

The Company reserves the right to amend the terms of the Offer in its absolute and sole discretion. The Company will notify ASX of any modification to, or termination of, the Plan. The omission to give notice of any modification to, or termination of, the Plan or the failure of ASX to receive such notice will not invalidate the modification or termination.

If the Company rejects or scales back an application or purported application, the Company will promptly refund to the Shareholder the relevant application monies, without interest.

Custodians, trustees and nominees

If you are an Eligible Shareholder and hold shares as a custodian (as defined in ASIC Class Order [CO 09/425] (**Custodian**) or in any more specific ASIC relief granted to the Company in relation to the Plan), you may apply for up to the maximum of Shares for each beneficiary for whom you act as custodian provided you annexe to your Application Form a custodian certificate to the Company.

Custodians should request a Custodian Certificate when making an application on behalf of participating beneficiaries. To request a Custodian Certificate and if you would like further information on how to apply, you should contact Automic Share Registry on 1300 288 664 at any time from 9:00am (AEST) to 5.00pm (AWST) Monday to Friday during the Offer period.

If you hold shares as a trustee or nominee for another person or persons but are not a Custodian as defined above, you cannot participate for beneficiaries in the manner described above. In this case, the rules for multiple single holdings (above) apply.

The Company reserves the right to reject any application for Shares under the Plan to the extent it considers that the application (whether alone or in conjunction with other applications) does not comply with these requirements. The Company reserves the right to reject applications in accordance with the terms of the Plan.

Foreign offer restrictions

This document may not be released or distributed in any country other than Australia and New Zealand. This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in any other country. In particular, any securities described in this document have not been, and will not be, registered under the US Securities Act of 1933 (as amended) and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

New Zealand Shareholders

The Shares offered under the Plan are not being offered or sold to the public within New Zealand other than to existing shareholders of Cassini with registered addresses in New Zealand and to whom the Offer is being made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2013 (New Zealand).

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Securities Act 1978 (New Zealand). This document is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

Shortfall Placement

The Company reserves its right to place any shortfall from the Plan, at the absolute discretion of the Directors, based on the circumstances at the time, within the limitations of its Placement Capacity.

Indicative Timetable

MILESTONE	DATE
Record Date (5.00 pm WST)	Friday, 14 October 2016
Announcement of Plan	Monday, 17 October 2016
Release of Offer documents on ASX	Tuesday, 18 October 2016
Dispatch of Offer document to Shareholders	Wednesday, 19 October 2016
Opening Date of Offer	Wednesday, 19 October 2016
Closing Date of Offer*	Monday, 7 November 2016
Settlement	Friday, 11 November 2016
Issue of Shares under the Plan*	Monday, 14 November 2016
Quotation of Shares on ASX*	Tuesday, 15 November 2016
Dispatch Date for Holding Statements*	Wednesday, 16 November 2016

* These dates are indicative only. The Company may vary the dates and times of the Offer without notice. Accordingly, Shareholders are encouraged to submit their Share Purchase Plan Application Forms as early as possible.

Dispute Resolution

The Company may, in any manner it thinks fit, settle any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the Plan, whether generally or in relation to any participant, application or Shares. The decision of the Company in this respect will be conclusive and binding on all Shareholders and other persons to whom that determination relates.

The Company reserves the right to waive strict compliance with any provision of these terms and conditions. The powers of the Company under these conditions may be exercised by the Directors or any delegate of the Directors.

Contact Details

Should you wish to discuss any information contained in this letter further, do not hesitate to contact the Company Secretary on +61 8 9322 7600.

Yours faithfully



Richard Bevan
Managing Director
Cassini Resources Limited