



16 November 2015

Dear Shareholders

PRO-RATA NON-RENOUCEABLE RIGHTS OFFER

As announced on 30 October 2015, Lindian Resources Limited (ACN 090 772 222) (**Company**) is undertaking a fully underwritten pro-rata non-renounceable Rights Issue (**Rights Issue** or **Offer**) of fully paid ordinary shares in the capital of the Company (**New Shares**) on the basis of three (3) New Shares for every one (1) existing share held at the record date of 19 November 2015 (**Record Date**).

New Shares will be offered at \$0.001 per New Share. The maximum number of New Shares which may be issued under the Rights Issue is 1,090,031,850 to raise approximately \$1,090,032 (before expenses of the Offer).

The Offer is made pursuant to a prospectus lodged with the Australian Securities and Investments Commission (ASIC) on 12 November 2015 (**Prospectus**). A copy of the Prospectus is available on the ASX's and the Company's websites.

The Offer is fully underwritten by CPS Capital Group Pty Ltd. Full details of the underwriting arrangements and the potential impact on the Company are outlined in the Prospectus.

The total number and class of all securities on issue (including the maximum number of New Shares to be issued under the Rights Issue on an undiluted basis – that is, assuming none of the Company's existing options are exercised) is as follows:

	Shares	Options
Currently on issue	363,343,950	103,808,440
New Shares to be issued pursuant to the Offer*	1,090,031,850	Nil
Total on issue after completion of the Offer	1,453,375,800	103,808,440

Use of Funds

The Company intends to apply the funds raised from the Rights Issue as follows:

Proposed application of funds	Amount
Repay existing creditors	\$460,858
Consideration for repurchase of Philippines assets pursuant to the Bundok Acquisition	\$50,000
Assessment and further expenditure on Philippines assets	\$200,000
Working Capital	\$286,252
Costs of the Offer	\$92,922
Total	\$1,090,032

Ineligible Shareholders

The Offer will be made to all registered shareholders on the Record Date who are recorded on the Company's register as residing in Australia or New Zealand. Shareholders with a registered address other than in Australia or New Zealand are not eligible to participate in the Offer (**Ineligible Shareholder**).

You are not eligible to participate in the Offer and you will not be sent a copy of the Prospectus. This decision has been made pursuant to Listing Rule 7.7.1(a) of the ASX Listing Rules after taking into consideration the costs of complying with legal and regulatory requirements in jurisdictions outside of Australia and New Zealand compared with the small number of Ineligible Shareholders and the number and value of New Shares to which they would otherwise be entitled.

If you have any queries concerning the Rights Issue, please contact your financial adviser or the Company on +61 8 9481 0389.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Eddie King', written in a cursive style.

Eddie King
Chairman
Lindian Resources Limited