



3 June 2016

Dear Optionholder,

Non-Renounceable Rights Issue of Shares

On 1 June 2016, MinRex Resources Limited (**Company**) announced a three (3) for four (4) non-renounceable rights issue (**Rights Issue**) to shareholders.

The Rights Issue will be offered to existing eligible shareholders on the basis of three New shares (**New Share**) for every four shares held at the record date, at an issue price of \$0.06 per share, to raise up to \$950,906, before costs.

The Company is making the Offer available to eligible shareholders, being persons who are registered as shareholders of the Company on the Record Date and have a registered address in Australia or New Zealand.

Based on the Company's current issued capital the Rights Issue will result in up to 15,848,438 New Shares being issued, increasing the total issued share capital on completion of the Rights Issue, assuming it is fully subscribed, to 36,979,689 shares.

The Company has set 5.00pm WST on 17 June 2016 as the Record Date for the purpose of determining shareholders entitled to participate in the Rights Issue.

Under the terms of the options you currently hold, there is no entitlement to participate in the Rights Issue, unless you convert your options and are entered onto the register as a shareholder on or before the Record Date.

If you wish to participate in the Rights Issue, it will be necessary for you to exercise all or part of your options, and the shares issued on the exercise of those options must have been allotted to you before the Record Date. If you wish to do so, you should complete a Notice of Exercise of Options and lodge that notice with the Company's share registry, together with your payment for the number of shares you wish to take up on or before the Record Date of 17 June 2016.

If you wish to clarify any taxation consequences relating to the exercise of your options, please consult with your professional advisers.

If you do not wish to participate in the Rights Issue in respect of your options, you do not need to take any action.

If you require further information please contact the Company on (08) 9486 8806 during normal business hours.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Simon Durack", with a small dot at the end.

Simon Durack
Executive Director