RENISON CONSOLIDATED MINES NL

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13 April 2006

Dear Shareholder

On 29 March 2006, Renison Consolidated Mines NL (Renison) announced a capital raising, comprising:

- a placement arranged by Wilson HTM Corporate Finance Limited to Institutional and Sophisticated Investors who subscribed for 20,000,000 convertible notes at an issue price of 33 cents per convertible note raise $6.6 million before issue costs; and

- a 1 for 22 pro rata non-renounceable rights issue to Ordinary Shareholders (and a 1 for 100 pro-rata basis for holders of Partly Paid Ordinary Shares) at an issue price of 33 cents per convertible note to raise up to $6.6 million before issue costs.

The convertible notes are unsecured and have a term of 3 years with a yield of 10% per annum and have the right to convert into ordinary shares at a conversion price of 33 cents per share.

The proceeds from the capital raising will primarily be utilised for the completion of the Tom's Gully Gold Mine development, feasibility studies into the expansion of the Tom's Gully Gold Mine to a potential 60,000 ounce pa gold production rate and the repayment of existing secured project debt facilities relating to Tom's Gully. The funds will also allow the Company to undertake a feasibility study into the development of a gold mine at Agate Creek, accelerate exploration at Agate Creek both for deeper bonanza grade targets and for further exploration of Renison's coal assets.

The Prospectus in relation to the non-renounceable rights issue was lodged with Australian Securities and Investment Commission and ASX on 12 April 2006. The prospectus can be viewed online on the ASX Website or at Renison's website www.rcm.com.au.

The non renounceable rights issue will provide existing shareholders with the opportunity to subscribe for 1 convertible note for every 22 ordinary held at the Record Date or 1 convertible note for every 100 partly paid shares held. Holders of the existing series of convertible notes and holders of options have been provided with the opportunity to convert or exercise their holdings in order to participate in the offer. A maximum of 20,207,432 convertible notes may be issued pursuant to the rights issue. The rights issue is underwritten to $5,250,000 by Wilson HTM Corporate Finance Limited.

The key dates for the issue are as follows:

Lodging of Prospectus with ASIC and ASX	12 April 2006
Letter to Eligible Shareholders advising of Record Date	13 April 2006
Quotation of Convertible Notes issued pursuant to Institutional and Sophisticated Investors.	19 April 2006
Shares are quoted on an "Ex" basis	20 April 2006
Record date	26 April 2006
Despatch of Prospectus to Eligible Shareholders	**2 May 2006**
Opening Date of the Issue	3 May 2006
Closing Date of the Issue	**24 May 2006**
Allotment of Convertible Notes	2 June 2006
Despatch of holding statements	2 June 2006
Trading of convertible notes to commence	8 June 2006

A copy of the announcement made to ASX on 29 March 2006 providing details of the capital raising accompanies this letter. Note the size of the rights issue has changed since the announcement on 29 March 2006 due to the exercise of options and conversion of existing convertible notes.

For and on behalf of the Board

Paul Marshall
Company Secretary

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ASX ANNOUNCEMENT - 29 March 2006

CAPITAL RAISING

TOM'S GULLY GOLD MINE TO BE DEVELOPED WITHOUT FURTHER COMMITTED HEDGING

The Directors of Renison Consolidated Mines NL are pleased to advise that the Company has entered into binding placement agreements for a placement of convertible notes that will raise $6.6 million before issue costs. In addition the company will be undertaking a pro-rata entitlement issue of convertible notes to existing shareholders to raise a further $5.25 million before issue costs.

Placement to Institutional and Sophisticated Investors

The placement raising is being undertaken by way of the issue to institutional and sophisticated investors of 20,000,000 convertible notes at an issue price of 33 cents per convertible note. The convertible notes are unsecured and have a term of 3 years with a yield of 10% per annum and have the right to convert into ordinary shares at a conversion price of 33 cents per share. The placement was arranged by Wilson HTM.

A summary of the terms of the convertible notes is attached.

Pro Rata Rights Issue

In order to allow existing shareholders the opportunity to subscribe for convertible notes upon the same terms as those issued pursuant to the placement, the Company will be undertaking a non-renounceable pro-rata entitlement issue of convertible notes to existing shareholders to raise up to a further $5.25 million.

Shareholders of the company will be entitled to subscribe for one convertible note for every 22 ordinary shares held at an issue price of 33 cents. Partly paid shareholders will be entitled to apply for one note for every 100 partly paid shares held. The expected record date for determining entitlements to participate in the issue is 26 April 2006 and a prospectus will be forwarded to all shareholders together with an entitlement and acceptance form shortly after the record date.

Use of Funds Raised

This funding arrangement allows for the Tom's Gully Gold Mine to be bought into production without further committed hedging of the future gold sales. It is intended that any future gold price protection would be via uncommitted positions through the purchase of bought put options. In addition to funds for completion of the Tom's Gully development, the funds will also allow the Company to:

- undertake a feasibility study into the development of a gold mine at Agate Creek based on the near surface low strip ratio mineralization at Sherwood;
- accelerate exploration at Agate Creek both for deeper bonanza grade targets at Sherwood and regional targets at Digger Creek and Eastern Bar Creek;
- further exploration of Renison's coal assets;
- feasibility studies into the expansion of the Tom's Gully Gold Mine to a potential 60,000 ounce pa gold production rate; and
- repayment of existing secured project debt facilities relating to Tom's Gully.

and will enable the Company to continue its rapid development as an emerging mining group.

For and on behalf of the Board

JPK Marshall
Company Secretary

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Convertible Note Terms	
Issuer	**Renison Consolidated Mines NL**
Amount	$11.8m (combined placement and entitlement issue)
Issue Price	$0.33
Term	3 years (maturity 31 March 2009)
Interest Rate	10.0%
Interest Payments	Half yearly in arrears following date of issue
Interest Reinvestment	Yes (Reinvestment into ordinary shares at the holder's election at an issue price of $0.33)
Conversion Price	Equal to the Issue Price
Conversion Ratio	One ordinary share for every one convertible note
Conversion Rights	• Each convertible note entitles the holder to one ordinary share in the Company upon conversion, or the face value of the convertible note at maturity • Noteholders may elect to convert their convertible notes at any time • Each ordinary share issued on conversion will rank equally with all existing ordinary shares, however will not be entitled to any dividend declared but unpaid
Buy-back option	The Company has the right to buy-back convertible notes in certain circumstances, including: • At maturity • In circumstances where the Company has an early redemption right, such as for a takeover or tax event
Security	Convertible notes will be unsecured and will rank in relation to repayment of principal and interest with other ordinary unsecured creditors of the Company.
Participation Rights	Prior to conversion, the convertible notes will not carry any entitlement to participate in any entitlement issues, returns of capital, bonus issues or capital reconstruction. The conversion ratio will be adjusted in the case of a return of capital, bonus or entitlement issue or for any capital reconstruction prior to the conversion date.
Voting	Except in circumstances required by ASX listing rules or Corporations Act, noteholders will not be entitled to vote at, or receive notice of a vote at general meetings of the Company.
Quotation	Placement notes - Listed on ASX following lodgment of rights issue prospectus (subject to achieving spread requirements prior to the allotment of notes issued under the entitlement issue). Rights notes – listed on ASX following allotment.