



ACN 108 753 608 ♦ ABN 86 108 753 608

20 June 2019

Dear Option Holder,

## NON RENOUNCEABLE RIGHTS OFFER

The Company on 20 June 2019, lodged a Prospectus with ASIC and ASX, seeking to raise approximately \$2,941,309 by a non-renounceable rights offer ("**Offer**") of up to approximately 13,369,587 new shares ("**New Shares**") and 6,684,793 new options ("**New Options**") (together "**New Securities**") on the basis of 1 New Share for every 4 shares held at an issue price of 22 cents per New Share together with 1 free New Option for every 2 New Shares subscribed for under the Prospectus. The New Options have an exercise price of 27 cents and an expiry date of 30 June 2021.

**Option holders are not entitled to participate in the Offer.** Should option holders with a registered address in Australia or New Zealand wish to participate in the Offer they should exercise their options in accordance with the terms and conditions of the options in a timely manner and in any event to ensure the exercise and issue of the shares is completed by the Record Date of 26 June 2019.

The funds raised under the Offer will primarily be used to accelerate exploration upon the Company's Projects.

The Offer is not underwritten. Panthea Capital Pty Ltd is the Lead Manager. Minimum Subscription under the Offer is \$1.

The timetable for the Offer is as follows:

|                                                                                                                      |              |
|----------------------------------------------------------------------------------------------------------------------|--------------|
| Lodgement of Prospectus with ASIC and ASX                                                                            | 20 June 2019 |
| Application to ASX for quotation of shares and options under the Prospectus                                          | 20 June 2019 |
| Notice to Shareholders                                                                                               | 24 June 2019 |
| Current Shares "Ex" the entitlements issue on the ASX                                                                | 25 June 2019 |
| <b>Record Date</b> to identify Shareholders and to determine Entitlements to shares and options under the Prospectus | 26 June 2019 |
| Despatch of Prospectus and Entitlement and Acceptance Form ( <b>Opening Date</b> )                                   | 1 July 2019  |
| <b>Closing Date</b>                                                                                                  | 22 July 2019 |
| Securities quoted on a deferred settlement basis                                                                     | 23 July 2019 |
| ASX notified of undersubscriptions                                                                                   | 25 July 2019 |
| Issue Date and end of deferred settlement trading                                                                    | 29 July 2019 |

Subject to the Listing Rules, the above dates may be changed without notice.

The Offer will be made to the Company's shareholders with a registered address in Australia or New Zealand on the Record Date ("**Eligible Shareholders**").

The capital structure of the Company post-completion of the Offer at full subscription will be as follows:

| <b>Shares</b>                                                                         | <b>Full Subscription<br/>(\$2,941,309)</b> |
|---------------------------------------------------------------------------------------|--------------------------------------------|
| Existing Shares                                                                       | 53,478,348                                 |
| New Shares issued under the Offer                                                     | 13,369,587                                 |
| <b>Total Shares on issue after completion of the Offer</b>                            | <b>66,847,935</b>                          |
| <b>Options</b>                                                                        | <b>Full Subscription</b>                   |
| Existing Options – unlisted (exercise price 25 cents expiry date 31 December 2021)    | 6,450,000                                  |
| New Options issued under the Offer (exercise price 27 cents expiry date 30 June 2021) | 6,684,793                                  |
| <b>Total Options on issue after completion of the Offer</b>                           | <b>13,134,793</b>                          |

It is anticipated that the Prospectus offering the New Securities for subscription will be mailed to Eligible Shareholders on 1 July 2019. The Prospectus may be viewed on the Australian Securities Exchange's website at [www.asx.com.au](http://www.asx.com.au) or alternatively on the Company's website at [www.yandalresources.com.au](http://www.yandalresources.com.au).

Application will be made to ASX for official quotation of the New Shares. No application will be made for quotation of the New Options. In the calculation of any entitlement, fractions will be rounded up to the nearest whole number. No shareholder approval is required to the Offer.

If you have any questions please do not hesitate to contact the Company.

Yours faithfully



**Lorry Hughes**  
**Managing Director**