

25 November 2016

Dear Shareholder

### **Ishine International Resources Limited – Pro-rata Non-renounceable Entitlement Issue**

As announced on 23 November 2016 Ishine International Resources Limited (ACN (139 522 553)) (**Ishine** or the **Company**) is undertaking a pro rata non-renounceable entitlements offer of one (1) fully paid ordinary share in the capital of the Company (**Share**) for every one (1) Share held by eligible shareholders on 29 November 2016 (**Record Date**) at an issue price of \$0.011 per Share (**Offer**). The Company lodged a prospectus for the Offer with ASIC and ASX on 24 November 2016 (**Prospectus**).

The Offer follows the Company successfully completing a capital raising of 13,627,694 Shares at an issue price of \$0.011 per Share (**Placement Shares**) to sophisticated investors to raise \$149,905 (**Placement**). The Company intends to issue the Shares under the Placement on or before Monday, 28 November 2016 and in any event, prior to the Record Date.

The Offer is underwritten by LBCap Pty Ltd (ACN 159 401 573) (**Underwriter**). By an agreement between the Underwriter and the Company (**Underwriting Agreement**), the Underwriter has agreed to fully underwrite the Offer of 104,478,985 Shares (**Underwritten Shares**).

Pursuant to the Underwriting Agreement, the Company has agreed to pay the Underwriter an underwriting fee equal to AUD\$68,956, being 6% of the value of the Underwritten Shares.

The funds raised from the issue are planned to be used in accordance with the table set out below:

| <b>Item</b> | <b>Proceeds of the Offer</b>  | <b>Full Subscription (\$)</b>                  | <b>%</b>   |
|-------------|---|--|------------|
| 1.          | Glendambo Project <ul style="list-style-type: none"> <li>• Data base compilation and modelling</li> <li>• Field Surveys and logistics</li> <li>• Geophysics</li> <li>• Reconnaissance Drilling</li> </ul> | \$60,000<br>\$80,000<br>\$100,000<br>\$160,000 | 34.80      |
| 2.          | Payment of accrued creditors  | 165,000  | 14.36      |
| 3.          | Expenses of the Offer <sup>1</sup>  | 96,923   | 8.43       |
| 4.          | Repayment of loans from Directors   | 325,000  | 28.28      |
| 5.          | Working capital   | 162,346  | 14.13      |
|             | <b>Total</b>  | <b>1,149,269</b>                               | <b>100</b> |

The Offer is being made to all shareholders of the Company named on its register of members at 5:00pm (WST) on the Record Date (29 November 2016), whose registered address is in Australia or New Zealand (**Eligible Shareholders**).

New Shares will rank equally with all fully paid ordinary shares in the capital of the Company (**Shares**) already on issue.

Following completion of the Offer (assuming the issue of Placement Shares prior to the Record Date), the Company will have issued approximately 104,478,985 New Shares resulting in total Shares on issue of approximately 208,957,969.

### **Ineligible shareholders**

A Shareholder who has a registered address outside Australia and New Zealand (**Ineligible Shareholder**) will not be eligible to participate in the Offer.

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 Offer, or the action you are required to take to subscribe for New Shares, please contact your financial adviser or Keong Chan, Company Secretary and Non-Executive Director, on +61 8 6142 5088.

Yours sincerely

**Yunde Li**  
**Executive Chairman**