

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:

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

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.

A copy of the Prospectus is available on ASX's and the Company's website. Eligible Shareholders will be mailed a Prospectus together with an Entitlement and Acceptance Form no later than 2 December 2016. Your entitlement will be set out on the personalised Entitlement and Acceptance Form accompanying the Prospectus.

For the purposes of calculating each Eligible Shareholders' entitlement, fractions of entitlements have been rounded up to the nearest whole number of New Shares.

Actions required of Eligible Shareholders

There are a number of actions Eligible Shareholders may take:

- You may wish to accept all of your rights to subscribe for New Shares pursuant to the Prospectus (**Entitlement**). To take up all or some of your Entitlements you will need to ensure your application money for the Entitlements you wish to take up is received by Security Transfer Australia Pty Ltd (**Share Registry**) by no later than 5:00pm on 13 December 2016, by completing and returning your Entitlement and Acceptance Form together with your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the amount indicated on the Entitlement and Acceptance Form **OR** making a payment by BPAY in accordance with the instructions on your Entitlement and Acceptance Form.
- You may wish to accept part of your Entitlement. To take up part of your Entitlement you will need to ensure your application money for the Entitlements you wish to take up is received by the Share Registry by no later than 5:00pm on 13 December 2016, by completing and returning your Entitlement and Acceptance Form by filling in the number of New Shares you wish to accept in the space provided on the Entitlement and Acceptance Form together with your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the appropriate application monies **OR** making a payment by BPAY in accordance with the instructions on your Entitlement and Acceptance Form (at \$0.011 per New Share).
- You may do nothing. If you choose to do nothing with your Entitlements, while you will continue to hold the same number of Shares, your interest in the Company will be diluted and you will receive no value for your Entitlement.

Key dates for the Offer

Event	Proposed Date
Prospectus and Appendix 3B lodged with ASX	24 November 2016
Notice of Rights Issue sent to Shareholders	25 November 2016
Issue of Placement Shares	28 November 2016
Existing shares quoted on an 'ex' basis	28 November 2016
Record date	29 November 2016
Prospectus sent out to Shareholders & Offer Period Opens	2 December 2016

Offer Period Closes	13 December 2016
Securities quoted on a deferred settlement basis.	14 December 2016
Notification of under-subscriptions to ASX (if any)	16 December 2016
Shares Issued & Holding statements despatched	20 December 2016

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