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20 August 2020

Australian Securities Exchange Limited
Via ASX Market Announcements Platform

Entitlement Offer – Notification to Ineligible Retail Shareholders

Gascoyne Resources Limited (Subject to Deed of Company Arrangement) (**ASX:GKY**) has today despatched the attached letter to ineligible retail shareholders in relation to its accelerated non-renounceable pro rata entitlement offer of fully paid ordinary shares in GKY (**Entitlement Offer**), details of which were announced to ASX on 13 August 2020.

Further information

If you have any questions in respect of the Entitlement Offer, please call Advanced Share Registry Limited on 1 300 113 258 (within Australia) or (+61 8) 9389 8033 (outside Australia) at any time between 8.30am and 5.00pm (Perth time), Monday to Friday before the Retail Entitlement Offer closes on 10 September August 2020. For other questions, you should consult your broker, accountant, or other professional adviser.

This announcement has been authorised for release to the ASX by the Board.

-ENDS-

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Dear Shareholder,

On Thursday, 13 August 2020, Gascoyne Resources Limited (Subject to Deed of Company Arrangement) (ACN 139 522 900) (**Company**) announced its intention to raise approximately \$85 million through an institutional placement and an accelerated non-renounceable pro-rata entitlement offer (**Entitlement Offer**).

The Entitlement Offer consists of the issuance of new ordinary shares in the Company (**New Shares**) on a 2 for 1 basis to eligible shareholders at an offer price of \$0.025 per New Share. The Entitlement Offer is part of a broader recapitalisation plan (**Recapitalisation**).

The Entitlement Offer is being made by the Company in accordance with section 710 of the *Corporations Act 2001* (Cth) (**Corporations Act**). The Company lodged a prospectus for, amongst other things, the Entitlement Offer (**Prospectus**) with ASIC and ASX on Thursday, 13 August 2020. The Entitlement Offer comprises an institutional entitlement offer (**Institutional Entitlement Offer**) and an offer to Eligible Retail Shareholders (as defined below) to participate on the same terms (**Retail Entitlement Offer**). The Institutional Entitlement Offer has already closed and the results announced to ASX.

The Entitlement Offer is fully underwritten and lead managed by Canaccord Genuity (Australia) Limited.

This letter is to inform you that you are not an Eligible Retail Shareholder (as defined below) for the purposes of the Retail Entitlement Offer. This letter is not an offer to issue New Shares to you, nor an invitation for you to apply for New Shares. **You are not required to do anything in response to this letter but there may be financial implications for you as a result of the Entitlement Offer that you should be aware of.**

Eligibility criteria?

Eligible Retail Shareholders are shareholders who as at 5.00pm (Perth time) on Monday, 17 August 2020:

- (a) are registered as a holder of existing Company shares;
- (b) have a registered address in Australia or New Zealand as noted on the Company's share register or persons that the Company has determined in its discretion are Eligible Retail Shareholders;
- (c) are not in the United States and are not a person (including nominees or custodians) acting for the account or benefit of a person in the United States;
- (d) were not invited to participate in the Institutional Entitlement Offer and were not treated as ineligible institutional shareholders under the Institutional Entitlement Offer (other than as a nominee or custodian, in each case in respect of other underlying holdings); and

- (e) are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

Why am I not eligible to participate in the Retail Entitlement Offer?

The restrictions upon eligibility are due to a number of factors, including the small number of shareholders in some countries, the number and value of existing shares they hold and the cost of complying with the applicable regulations in those countries.

Having given consideration to these factors, the Company has determined that, pursuant to section 9A(3)(a) of the Corporations Act and ASX Listing Rule 7.7.1(a), it would be unreasonable to make the offers to shareholders with a registered address outside of Australia and New Zealand in connection with the Retail Entitlement Offer. This is due to the legal and regulatory requirements in countries other than Australia or New Zealand and the potential costs to the Company of complying with these requirements, compared with the relatively small number of shareholders in those countries, the relatively small number of existing ordinary shares those shareholders hold and the relatively low value of New Shares to which those shareholders would otherwise be entitled to subscribe for.

Determination of eligibility of investors for the purposes of the Retail Entitlement Offer is determined by the Company with reference to a number of matters. The Lead Manager and each of its affiliates and related bodies corporate and each of their respective directors, officers, partners, employees, advisers and agents disclaim any liability in respect of any determination as to eligibility, to the maximum extent permitted by law.

Unfortunately, according to our records, you do not satisfy the criteria for an Eligible Retail Shareholder. In compliance with section 9A(3) of the Corporations Act and ASX Listing Rule 7.7.1(b), the Company wishes to inform you that under the terms of the Retail Entitlement Offer, you are not entitled to participate in the Retail Entitlement Offer and, as such, you will not be offered any New Shares under the Retail Entitlement Offer. You will not be sent a copy of the Prospectus.

Notwithstanding the above, the Company may agree to extend the Retail Entitlement Offer to certain institutional shareholders in foreign jurisdictions who did not participate in the Institutional Entitlement Offer, subject to compliance with applicable laws.

As the Entitlement Offer is non-renounceable, you will not receive any payment or value for entitlements in respect of any New Shares that would have been offered to you if you were eligible.

If you have any questions in respect of the Retail Entitlement Offer, please call Advanced Share Registry Limited, on 1 300 113 258 (within Australia) or (+61 8) 9389 8033 (outside Australia). For other questions, you should consult your broker, accountant, or other professional adviser.

On behalf of the Company, we regret that you are not eligible to participate in the Retail Entitlement Offer and thank you for your continued support.

Regards

George Bauk
Chairman



Important Information

This letter is not a prospectus or offering document under Australian law or under any other law. No action has been or will be taken to register, qualify or otherwise permit a public offering of the New Shares in any jurisdiction outside Australia and New Zealand. This letter is for information purposes only and does not constitute or form part of an offer, invitation, solicitation, advice or recommendation with respect to the issue, purchase or sale of any New Shares in the Company.

This letter has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This letter does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this letter have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration of the US Securities Act and applicable US state securities laws.

The provision of this document is not, and should not be considered as, financial product advice. The information in this document is general information only, and does not take into account your individual objectives, taxation position, financial situation or needs. If you are unsure of your position, please contact your broker, accountant, or other professional advisor.

