

14 July 2020

NOTIFICATION TO INELIGIBLE SHAREHOLDERS

Dear Shareholder

On Monday, 6 July 2020, AIC Mines Limited (**AIC**) announced the successful completion of a bookbuild in respect of a placement of fully paid ordinary shares in AIC (**New Shares**) (**Placement**) and announced a fully underwritten non-renounceable entitlement offer (**Entitlement Offer**) of New Shares at an offer price of A\$0.28 per New Share (**Offer Price**). The Placement and Entitlement Offer (together, the **Offer**) are proposed to raise approximately A\$4.7 million.

This letter is to inform you about the Entitlement Offer and to explain why you will not be able to subscribe for New Shares under the 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.**

Under the Entitlement Offer, AIC is offering Eligible Shareholders (defined below) 1 New Share for every 7 AIC ordinary shares held as at 7.00pm (AEST) on Thursday, 9 July 2020 (**Record Date**), at the offer price of A\$0.28 per New Share. Following completion of the Entitlement Offer, AIC will have issued 7,428,610 New Shares under the Entitlement Offer.

The Entitlement Offer is being made by AIC in accordance with section 708AA of the *Corporations Act 2001* (Cth) (**Corporations Act**), meaning that no prospectus or other formal disclosure document needs to be prepared with respect to the Entitlement Offer.

Argonaut Capital Limited is acting as underwriter for the Entitlement Offer (**Underwriter**).

Eligibility Criteria

Eligible Shareholders are shareholders who:

- are registered as a holder of Shares as at the Record Date, being 7.00pm (AEST) on Thursday, 9 July 2020;
- as at the Record Date, have a registered address in an Australia, New Zealand, Hong Kong, Singapore, Indonesia and the United Kingdom;
- are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent they are holding Shares for the account or benefit of such person in the United States); and
- are eligible under all applicable securities laws to receive an offer under the Entitlement Offer without any requirement for a prospectus or offer document to be lodged or registered.

Shareholders who are not Eligible Shareholders are ineligible shareholders (**Ineligible Shareholders**).

Ineligible Shareholders are not able to take up their entitlement under the Entitlement Offer.

The restrictions upon eligibility under the Entitlement Offer arise because of the legal and regulatory requirements in countries other than those listed above, and the potential costs to AIC and complexity of

complying with these legal and regulatory requirements compared with the relatively small number of shareholders in those countries, the relatively small number of existing AIC ordinary shares they hold and the relatively low value of New Shares to which those shareholders would otherwise be entitled.

Determination of eligibility of investors for the purposes of the Entitlement Offer is determined by AIC with reference to a number of matters, including those set out above. The Underwriter and its affiliates and related bodies corporate and each of their 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 eligibility criteria for an Eligible Shareholder. Accordingly, in compliance with Listing Rule 7.7.1(b) and section 9A of the Corporations Act, AIC wishes to advise you that it will not be extending the Entitlement Offer to you and you will not be able to subscribe for New Shares under the Entitlement Offer. You will not be sent the documents relating to the Entitlement Offer.

Further information

You do not need to respond to this letter. If you have any questions in relation to the Entitlement Offer, you should consult your broker, solicitor, accountant, financial adviser, or other professional adviser.

Yours sincerely



**Linda Hale
Company Secretary**

NOT FOR RELEASE OR DISTRIBUTION IN THE UNITED STATES

This letter is issued by AIC. This letter is not a prospectus or other disclosure document under Australian law or under any other law. It is for information purposes only and does not constitute an offer, invitation, solicitation, advice or recommendation with respect to the issue, purchase or sale of any entitlements or shares in AIC in any jurisdiction. This letter does not constitute financial product advice and does not and will not form part of any contract for the acquisition of entitlements or shares in AIC.

In particular, 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 in which such an offer would be illegal. Any securities described in this announcement have not been, and will not be, registered under the U.S. Securities Act of 1933 ("**US Securities Act**") or the securities laws of any state or other jurisdiction of the United States. Accordingly, no securities described in this announcement may be offered, sold or resold, directly or indirectly, in the United States, unless they have been registered under the U.S. Securities Act (which Link Group has no obligation to do or procure), or are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and any applicable U.S. state securities laws.