

31 August 2021

DIABLO RESOURCES LIMITED SPIN OUT OPPORTUNITY

Dear Shareholder,

I wanted to provide an update on our progress on the spin out of the gold and copper projects (**Projects**) from Hawkstone Mining Limited (ASX:HWK) (**Hawkstone**) into **Diablo Resources Limited (Diablo)** and why I think Diablo presents a compelling opportunity for shareholder return.

As announced on 24 August 2021, the Hawkstone Priority Offer is currently open with the Priority Offer already strongly supported by directors and major shareholders. I believe this strong support is due to the quality and calibre of the Projects, and the Board and Exploration team, led by incoming CEO, Lyle Thorne.

Primarily though, I believe that investing in Diablo has the potential to produce a significant return for shareholders because of the quality of these US-based Projects:

- All three drill-ready Projects are adjacent to very large gold mines or resources.
- Drilling will commence immediately after the Diablo IPO.
- Directors are investing their own money into the Diablo IPO.
- Diablo will have only 74.5 million shares on issue post capital raising.
- Directors have been successful with Hawkstone, BPM Minerals Limited (ASX: BPM), and Pantera Minerals Limited (ASX: PFE).

Today we released the new Diablo presentation onto Hawkstone's ASX platform. I encourage you to review that presentation and make your investment decision with the knowledge that your ability to participate in the Priority Offer as an eligible Hawkstone shareholder will end on 7 September 2021, or earlier, if \$3.5 million is successfully raised from eligible Hawkstone shareholders.

I look forward to welcoming you as a shareholder of Diablo together with institutional shareholders that will be introduced by our Lead Manager, PAC Partners after the close of the Hawkstone Priority Offer period on 7 September 2021.

Diablo IPO Significant dates

Priority Offer for eligible Hawkstone shareholders closing date	Tuesday, 7 September 2021
General Offer closing date	Tuesday, 21 September 2021
Record date for in-specie distribution to HWK shareholders	Thursday, 23 September 2021
Expected date for ASX listing of Diablo Resources Limited	Tuesday, 12 October 2021

Priority Offer Application Form

The Priority Offer opened on **24 August 2021**. Subject to the important notice at the end of this letter, as an eligible Hawkstone shareholder you are entitled to submit a Priority Offer Application Form to participate in the Priority Offer. You may obtain a copy of the Prospectus and apply online by going to the internet address below and entering your postcode and your unique Priority Offer access code:

Internet Address:	https://investor.automic.com.au/#/ipo/diabloresourcespriority
Your unique Priority Offer access code:	

You may also request a hard copy of the Prospectus by contacting Diablo:

- Phone: +61 8 6383 7837
- Email: info@diabloresources.com.au

To participate in the Priority Offer, eligible Hawkstone shareholders should follow the instructions set out in the Priority Offer Application Form.

The closing date for the Priority Offer is **7 September 2021**.

There is no guarantee that eligible Hawkstone shareholders will be allocated the Shares applied for under the Priority Offer.

Before deciding whether to invest in Diablo, investors should read the Prospectus in its entirety and consider the risk factors set out in Section 7 of the Prospectus.

Yours faithfully,

Paul Lloyd
Managing Director

This letter has been authorised for release by the board of Hawkstone Mining Limited. For further information, please contact the Company Secretary on +61 8 6313 3936.

IMPORTANT NOTICE REGARDING ELECTRONIC PROSPECTUS

As stated in the letter above a copy the prospectus can be downloaded from <https://investor.automic.com.au/#/ipo/diabloresourcespriority>. If you are accessing the electronic version of the prospectus for the purpose of making an investment in Diablo, you must be an Australian or New Zealand resident and must only access the prospectus from within Australia or New Zealand.

The Corporations Act prohibits any person passing onto another person the Priority Application Form unless it is attached to a hard copy of the prospectus or it accompanies the complete and unaltered version of the prospectus. You may obtain a hard copy of the prospectus free of charge by contacting Diablo.

Diablo reserves the right not to accept a Priority Application Form from a person if it has reason to believe that when that person was given access to the electronic Priority Application Form, it was not provided together with the electronic prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

Other than as otherwise stated in the prospectus, no document or information included on Diablo's website is incorporated by reference into the prospectus.