Eumeralla Resources Limited
ACN 148 860 299
Level 1
330 Churchill Avenue
SUBIACO WA 6008

6 April 2016

Dear Shareholder,

PARTICIPATION IN PRO-RATA RENOUNCEABLE ENTITLEMENT ISSUE

As announced to ASX on 4 April 2016, Eumeralla Resources Limited (**Eumeralla**) is undertaking a pro-rata renounceable entitlement issue of approximately 52,499,439 fully paid ordinary shares in the capital of the Company (**Shares**) at an issue price of $0.025 per Share to its shareholders who are registered as shareholders at 4pm (WST) on 14 April 2016 (**Record Date**) to raise approximately $1,312,486 (**Entitlement Issue**).

The Offer is being made on the basis of 9 new Shares for every 8 Shares held by eligible shareholder's registered at the Record Date. All of the Shares offered under the prospectus will rank equally with the Shares on issue at the date of the prospectus.

The entitlements under the Offer (**Entitlements**) are renounceable, which means that all or part of an eligible shareholder's rights to subscribe for Shares under the Offer may be traded on ASX.

The Company has lodged a prospectus in relation to the Entitlement Issue (**Prospectus**) with the Australian Securities & Investments Commission and the ASX and is available on the ASX website at asx.com.au for inspection. This document will be despatched to shareholders of the Company on 19 April 2016 and will outline the Entitlement Issue in detail.

Key Dates

The proposed timetable for the Entitlement Issue is as follows:

Lodgement of Prospectus with the ASIC	Tuesday, 5 April 2016
Lodgement of Prospectus & Appendix 3B with ASX	Tuesday, 5 April 2016
Notice sent to Shareholders	Wednesday, 6 April 2016
Ex date	Wednesday, 13 April 2016
Rights start trading	Wednesday, 13 April 2016
Record Date for determining Entitlements	Thursday, 14 April 2016
Prospectus and Entitlement and Acceptance Form sent out to Eligible Shareholders & Company announces this has been completed	Tuesday, 19 April 2016
Rights trading ends	Wednesday, 27 April 2016
Shares quoted on a deferred settlement basis	Thursday, 28 April 2016
Last day to extend the Closing Date	Friday, 29 April 2016
Closing Date (5:00 pm WST)*	Wednesday, 4 May 2016
Notify ASX of under subscriptions	Monday, 9 May 2016
Date of issue of Shares to Eligible Shareholders and any Shortfall in accordance with the Underwriting Agreement / Shares entered into Shareholders' security holdings	Wednesday, 11 May 2016
Normal trading of Shares commences*	Thursday, 12 May 2016

These dates are subject to change and are indicative only. Subject to the ASX Listing Rules the Corporations Act 2001(Cth) the Directors reserve the right to vary the dates for the Entitlement Issue at their discretion.

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

Item	Proceeds of the Offer	($)	%
1.	Myanmar	450,000	34%
2.	Mongolia	125,000	10%
3.	New project identification	250,000	19%
4.	Working capital	380,647	29%
5.	Expenses of the Offer	106,839	8%
	Total	1,312,486	1

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

The effect of the Offer on the capital structure of the Company, assuming the Offer is fully subscribed is set out below:

Shares	Number
Shares currently on issue	46,666,168
Shares to be issued pursuant to the Offer	52,499,439
Total Shares on issue after completion of the Offer	**99,165,607**

In calculating entitlements under the Entitlement Issue, fractions will be rounded up to the nearest whole number.

Applicants

The Entitlement Issue is made to shareholders with registered addresses in Australia and New Zealand only.

Your acceptance of the Offer must be made on the Entitlement and Acceptance Form accompanying the Prospectus. Your acceptance must not exceed your Entitlement as shown on that form. If it does, your acceptance will be deemed to be for the maximum Entitlement.

You may participate in the Offer by:

(a) taking up all of your Entitlement;
(b) taking up a proportion of your Entitlement and allowing the balance to lapse; or
(c) allowing all of your Entitlement to lapse.

If you wish to accept all or part of your Entitlement, you must:
(a) complete the Entitlement and Acceptance Form and attach your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for all or part of the amount indicated on the Entitlement and Acceptance Form; or
(b) pay the appropriate application monies for all or part of your Entitlement through the BPay® facility described in the Prospectus and the Entitlement and Acceptance Form. If you make your payment by BPay®, you do not need to return the Entitlement and Acceptance Form.

Ineligible Shareholders

The Offer is being made to all shareholders of the Company (**Shareholders**) named on its register of members at 4pm (WST) on 14 April 2016, whose registered address is in Australia or New Zealand. Overseas shareholders should contact the Company Secretary with any queries.

Full details of the Entitlement Issue will be contained in the Prospectus that will be mailed to eligible shareholders who are registered on the Record Date. Shareholders eligible to participate should read the Prospectus carefully.

Should you have any queries in relation to this matter, please do not hesitate to contact the Company on (+61 8) 9328 6262.

Yours sincerely

Tim Slate
Company Secretary
EUMERALLA RESOURCES LIMITED