

## DESPATCH OF UNMARKETABLE PARCEL DOCUMENTS

Further to the announcement on 18 April 2017, Eastern Goldfields Limited (ASX:EGS) (**Eastern Goldfields** or the **Company**) advises that the Letter to Unmarketable Parcel holders, the Information Pack and a Notice of Retention Form were despatched today.

Under the ASX Listing Rules, an unmarketable parcel is a parcel of shares with a market value of less than \$500. As at 5pm WST on 3 April 2017 (**Record Date**), an unmarketable parcel of shares is any shareholding of 1,333 shares or less, based on the closing price of \$0.375 on the Record Date. This represents 1,463,762 ordinary shares, held by 3,128 shareholders (**Minority Members**).

The Company is offering this sale to assist holders of unmarketable parcels to sell shares without having to use a broker or pay brokerage. The Company will pay for all costs associated with sale for shareholders who use this Facility, excluding any tax consequences from the sale which remains the shareholders responsibility.

The Company values all its shareholders, however, it incurs significant administration costs maintaining such a large number of unmarketable parcels. By facilitating this sale, the Company expects to reduce the administrative costs associated with maintaining a large number of very small holdings. Shareholders who, as at the Record Date, hold 1,334 shares or more will not be eligible to participate.

If Minority Members wish to sell their shares through this Facility, they do not need to take any action. If Minority Members **do not** wish to sell their shares through this Facility, they **must** complete and return the Notice of Retention Form to the Company's share registry, Computershare Investor Services Limited, by 5pm WST on 13 June 2017 (**Retention Date**).

The sale price will be determined once all the shares under the Facility are sold. Holders of an unmarketable parcel will receive a proportionate share of the sale proceeds (without any deduction for brokerage or handling costs). The Company's Constitution provides that the shares will be sold at a price not less than the average of the closing price of shares for the ten trading days immediately preceding the date an offer to purchase the unmarketable parcels is received by the Company.

A summary of the key dates in relation to the Facility is as follows:

Event	Date
Unmarketable Parcels Record Date	5.00pm (WST) 3 April 2017
Unmarketable Parcels ASX Announcement	18 April 2017
Letter to Minority Members including Information Pack and Notice of Retention Form	19 April 2017
Retention Date for receipt of Notice of Retention Form	5.00pm (WST) 13 June 2017
Estimated payment date	Late June



**Eastern  
Goldfields  
Limited**

### BOARD OF DIRECTORS

Mr Michael Fotios  
*Executive Chairman*

Mr Craig Readhead  
*Non-Executive Director*

Mr Alan Still  
*Non-Executive Director*

Ms Shannon Coates  
*Company Secretary*

### ISSUED CAPITAL

Shares: 493m  
Options: 61.6m  
Current Share Price: \$0.375  
Market Capitalisation: \$184.9m  
Cash as at 31/12/2016:  
\$264,000\*

\*Excluding total debt facilities of \$35.0m, see ASX announcement 31 January 2017

### EASTERN GOLDFIELDS LTD

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24 Mumford Place  
Balcatta WA 6021

T: +61 8 6241 188  
F: +61 8 6241 1811  
E: admin@easterngoldfields.com.au

www.easterngoldfields.com.au

In accordance with the Company's Constitution, following the Retention Date the Company will notify Minority Members that the Company intends to sell their unmarketable parcels unless, within 5 business days following the date of that notice, the Minority Member notifies the Company that they wish to retain their shares.

### *Investor Enquiries*

**Michael Fotios**

Executive Chairman

T: +61 8 6241 1888

E: admin@easterngoldfields.com.au

**Jon Snowball**

FTI Consulting

T: +61 477 946 068

E: jon.snowball@fticonsulting.com

### *Forward Looking Statements*

Eastern Goldfields Limited has prepared this announcement based on information available to it. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this announcement. To the maximum extent permitted by law, none of Eastern Goldfields Limited, its directors, employees or agents, advisers, nor any other person accepts any liability, including, without limitation, any liability arising from fault or negligence on the part of any of them or any other person, for any loss arising from the use of this announcement or its contents or otherwise arising in connection with it. This announcement is not an offer, invitation, solicitation or other recommendation with respect to the subscription for, purchase or sale of any security, and neither this announcement nor anything in it shall form the basis of any contract or commitment whatsoever. This announcement may contain forward looking statements that are subject to risk factors associated with gold exploration, mining and production businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimations, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory changes, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates.

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EGS

MR SAM SAMPLE  
UNIT 123  
SAMPLE STREET  
SAMPLETOWN NSW 2001

19 April 2017

Dear Shareholder

**IMPORTANT NOTICE - SALE OF YOUR UNMARKETABLE PARCEL OF EASTERN GOLDFIELDS LIMITED SHARES**

I am writing to advise you that Eastern Goldfields Limited (**Eastern Goldfields** or the **Company**) has established a share sale facility (**Facility**) for eligible small shareholders to sell their shareholding without incurring any brokerage or handling costs.

The Facility is available to shareholders who, as at close of trading on Monday, 3 April 2017 (**Record Date**),<sup>1</sup> were holders of ordinary shares in Eastern Goldfields (**Shares**) valued at less than \$500 (each being an **Unmarketable Parcel**). Based on the closing price of \$0.375 for a Share on the Record Date, an Unmarketable Parcel is any holding of 1,333 Shares or less.

Our records show that you were an Unmarketable Parcel holder at the Record Date. Unless you advise the Company by 5.00pm (Perth time) on 13 June 2017 (**Retention Date**) that you do NOT wish to sell your Shares, Eastern Goldfields intends to sell your Shares through the Facility in accordance with the Company's Constitution. However, if on the Retention Date the value of your Shares has increased such that you no longer have an Unmarketable Parcel (e.g. due to an increase in the Company's share price), your Shares will not be sold.

The Company is offering this Facility as it provides the following benefits:

- holders of Unmarketable Parcels can sell their Shares without incurring any brokerage or handling costs which, in proportion to the value of their holding, may otherwise render a sale unattractive or uneconomical; and
- the Company incurs significant administration costs maintaining a large number of Unmarketable Parcels. By facilitating this sale, the Company expects to reduce the administrative costs associated with maintaining a large number of very small holdings.

**Summary of key dates**

Unmarketable Parcel Record Date:	5.00pm (Perth time), 3 April 2017
Unmarketable Parcels Announcement to ASX:	18 April 2017
Letters sent to shareholders holding Unmarketable Parcels:	19 April 2017
Retention Date (date for receipt of Notice of Retention Form):	5.00pm (Perth time), 13 June 2017

In accordance with the Company's Constitution, if following the Retention Date you have not advised the Company that you wish to retain your Shares (and you otherwise continue to hold an Unmarketable Parcel), the Company will notify you that it intends to sell your Unmarketable Parcel unless, within 5 business days following the date of that notice, you notify the Company that you wish to retain your Shares.

<sup>1</sup> Being the date when the Company's shares last traded on the ASX prior to the announcement of the Facility

### **To retain your holding of Shares**

If you wish to retain your Unmarketable Parcel of Shares (i.e. you do NOT wish to sell your Shares through the Facility) you must complete and return the enclosed **Notice of Retention Form** so that it is received by 5.00pm (Perth time) on the Retention Date which is **13 June 2017**.

You may also ensure that your Unmarketable Parcel of Shares is NOT sold by:

- (a) purchasing additional shares such that your shareholding at the Retention Date is at least \$500; or
- (b) if you have multiple holdings of Shares under different holder numbers (HINs/SRNs), consolidating these under a single HIN/SRN such that your combined Shareholding at the Retention Date is at least \$500.

### **If you do not take any action before the Retention Date your Shares will be sold.**

The sale price will be determined once all the shares under the Facility are sold. Each shareholder will receive their proportionate share of the sale proceeds for all Shares sold through the Facility. Payment will be sent to you following settlement of the sale or otherwise as soon as is practicable. Under the Company's Constitution, the sale price for the Shares must be not less than the simple average of the closing price of Shares for the ten trading days immediately preceding the date an offer to purchase the Unmarketable Parcels is received by the Company.

Under the Facility the Company:

- (a) is authorised the sell all of your Shares without any transaction costs being incurred by you (excluding any tax consequences from the sale which remains each shareholder's responsibility); and
- (b) will pay you the sale proceeds by cheque to the address on the Company's share register, following settlement of the sale of all Shares through the Facility.

If you need help deciding what to do or if you require information regarding the financial, legal or tax consequences of participating in the Facility, you should consult your legal, financial or taxation adviser.

The **attached** Information Pack sets out further details of the Facility, which you should read before making any decision. You can also contact Eastern Goldfields on 08 6241 1866 if you have any queries about lodging your form or the operation of the Facility.

Yours sincerely



Michael Fotios  
Executive Chairman

## INFORMATION PACK FOR THE UNMARKETABLE PARCEL SALE FACILITY

1. *What is an Unmarketable Parcel?*

An Unmarketable Parcel is a holding of Shares valued at less than \$500. Based on the closing price of Shares at the Record Date, this is a holding of 1,333 Shares or less.

2. *What was the closing price of a Share at the Record Date?*

The closing price of Shares at the Record Date on 3 April 2017 was \$0.375.

3. *What do I have to do to sell my Shares through the Facility?*

Nothing. Your Shares will automatically be sold unless:

- you return a Notice of Retention Form so that it is received by 5.00pm (Perth time) on **13 June 2017 (Retention Date)**;
- you purchase additional shares such that your shareholding at the Retention Date is at least \$500; or
- if you have multiple holdings under different holder numbers (HINs/SRNs), and consolidate these under a single HIN/SRN such that your combined shareholding at the Retention Date is at least \$500.

4. *How will my Shares be sold under the Facility?*

Under the Facility, your Shares may be sold:

- off-market; or
- on-market.

5. *What price will I receive for Shares sold through the Facility?*

The price that you receive for your Shares under the Facility will be determined once all of the Shares under the Facility are sold. Each shareholder will receive their proportionate share of the sale proceeds for all Shares sold through the Facility (rounded down to the nearest cent). Under the Company's Constitution, the sale price for the Shares must be not less than the simple average of the closing price of Shares for the ten trading days immediately preceding the date an offer to purchase the Unmarketable Parcels is received by the Company.

You should note that the sale price you are paid for your Shares may be different from the sale price appearing in the media or on the ASX on a day a sale occurs, and may not be the best execution price on the trading day or trading days that your Shares are sold or at any other time during the operation of the Facility. The sale price will depend on a number of factors, including market conditions at the time of sale. Further, the sale price you are paid for your Shares may be less than the price you paid to acquire them.

All tax consequences arising from the sale of your Shares will be your responsibility.

6. *When will the proceeds for the sale of Shares be sent to me?*

Payment will be sent to you following settlement of the sale of all Shares through the Facility or otherwise as soon as it is practicable. Payment will be made in Australian dollars by. You will be notified by way of a transaction confirmation statement of the number of your Shares that have been sold, the sale price obtained and total sale proceeds payable to you. The cheque will be sent by post to your address as shown in the share register.

We expect payment to be made in late June 2017.

7. *What do I have to do if I wish to retain my Shares?*

If you wish to retain your Shares, you must sign and return the Notice of Retention Form so that it is received before 5.00pm (Perth time) on 13 June 2017. If your Notice of Retention Form is not received and you have not otherwise validly notified the Company that you wish to retain your Shares by that time, the Company will be entitled to sell your Shares for you.

Your Notice of Retention Form must be sent to:

Computershare Investor Services Pty Limited  
GPO Box 52  
Melbourne VIC 3001

Further, your Shares will not be sold if, on the proposed Retention Date, their value has increased to \$500 or more.

8. *If I buy more Shares, will I retain my holding?*

Eastern Goldfields will not sell your Shares provided you increase your holding to a marketable parcel as at the Retention Date. A marketable parcel of Shares is a shareholding worth at least \$500 based on the ASX closing price of Shares. This was at least 1,334 Shares at a closing price of \$0.375 as at the Record Date of 3 April 2017. For a purchase to be an effective notification that you wish to retain your Shares, any additional Shares acquired must be



registered by 5.00pm (Perth time) on 13 June 2017 under the same name and address and with the same holder number (SRN or HIN) as set out in the accompanying Notice of Retention Form.

9. *What if my Shares are held in a CHESSE Holding?*

If you have an Unmarketable Parcel of Shares and your Shares remain in a CHESSE Holding, the Company may move those Shares to an Issuer Sponsored Holding and the Shares will be sold through the Facility on the terms described.

10. *Where can I get further information?*

If you have any questions concerning your shareholding or queries about how the Facility will work, please contact Eastern Goldfields Limited on 08 6241 1866.

11. *What if I do not know what to do?*

This Information Pack and accompanying letter does not constitute advice, nor a recommendation to buy, sell or hold Shares, nor that the Facility is the best way to sell Shares. If you are in doubt about what to do, you should consult your legal, financial or taxation adviser.

12. *Important notes*

Eastern Goldfields reserves the right to change any of the dates referred to in the accompanying letter, this Information Pack or the Notice of Retention Form by notice to the ASX. Eastern Goldfields may, before a sale is affected under the Facility, suspend or terminate the Facility, either generally or in specific cases.

Eastern Goldfields is not bound to sell any of the Shares that may be available to it to sell under this Facility, and there is no guarantee that the Company will be able to sell your Shares. Neither the Company nor any other person involved in the Facility shall be liable for failure to sell the Shares or sell them at a particular price.

The Company will determine whether a shareholder has an Unmarketable Parcel as at the Retention Date.

In accordance with the Company's Constitution, the Company will not sell your Shares in the event a third party announces a takeover offer for the Company.

EGS  
MR SAM SAMPLE  
UNIT 123  
SAMPLE STREET  
SAMPLETOWN NSW 2001

## Return your Form to the Company's share registry:

✉ **By Mail:**  
Computershare Investor Services Pty Limited  
GPO Box 52  
Melbourne Victoria 3001  
Australia

## For all enquiries:

☎ **Phone:**  
(within Australia) 08 6241 1866  
(outside Australia) +61 8 6241 1866

## Notice of Retention Form

 **If you wish to retain your shares, your form must be received by 5.00pm (Perth time), 13 June 2017**

This is an important document that requires your immediate attention. It can only be used in relation to the shareholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

### Step 1: Shareholding Details

Use this form if you wish to retain your shares in Eastern Goldfields Limited. If you have recently bought or sold shares your shareholding may differ from that shown. If you have already sold all your shares in Eastern Goldfields Limited, do not complete or return this form. If you have more than one shareholding on Eastern Goldfields Limited's register and you do not wish to sell your shares under the Small Shareholding Sale Facility, you should consider consolidating them. For further advice on how to do this, contact Computershare Investor Services Pty Limited (CIS) on the number above.

Please check the details provided and update your address via [www.investorcentre.com](http://www.investorcentre.com) if any of the details are incorrect.

If you have a CHESS sponsored shareholding, please contact your Controlling Participant to notify a change of address.

### Step 2: Signing Instructions

**Individual:** Where the shareholding is in one name, the shareholder must sign.

**Joint Shareholding:** Where the shareholding is in more than one name, all of the shareholders must sign.

**Power of Attorney:** Where signing as Power of Attorney (POA), you must attach an original certified copy of the POA to this form.

**Companies:** Where the shareholding is in the name of a Company, this form must be signed in accordance with the Corporations Act, either as:

- a Sole Director and Sole Company Secretary **OR** a Sole Director (if no Company Secretary exists), **OR**
- two Directors, **OR**
- a Director and Secretary.

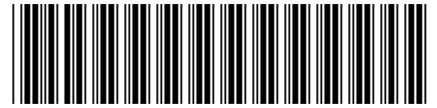
**Overseas Companies:** Where the shareholding is in the name of an Overseas company (companies incorporated outside Australia) the form must be signed as above, or documentation must be provided showing that the company can sign in an alternate manner.

**Deceased Estate:** Where the shareholding is in the name of a deceased estate, all executors must sign; and a certified copy or original, of the required documentation must accompany this form. Details of the documentation required can be found by searching "deceased estates" on our website [www.computershare.com](http://www.computershare.com) or by calling Computershare Investor Services Pty Limited on 1300 850 505 or +61 3 9415 4000. If the shareholding is in more than one name the surviving shareholder may sign the form and return it together with a certified copy of the death certificate of the other joint shareholder.

### Step 3: Contact Details

Entering contact details is not compulsory, but will assist us if we need to contact you.

**Turn over to complete the form** →



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# Notice of Retention Form

For your security keep your SRN/  
HIN confidential.

## STEP 1 Shareholding Details

MR SAM SAMPLE  
UNIT 123  
SAMPLE STREET  
SAMPLETOWN NSW 2001



**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Shareholders sponsored by a broker (reference number commences with 'X') should advise their broker of any changes.

Shares held as at 5:00pm (Perth time), 3 April 2017:

2000

## STEP 2 Signature of Shareholder(s) *This section must be completed.*

By signing and returning this form, in accordance with the requirements set out in 'Step 2: Signing Instructions' overleaf, I/we confirm that I/we understand that my/our **SHARES WILL NOT BE SOLD** under the Small Shareholding Sale Facility.

Individual or Shareholder 1

Sole Director and Sole Company Secretary/  
Sole Director (cross out titles as applicable)

Shareholder 2

Director

Shareholder 3

Director/Company Secretary  
(cross out titles as applicable)

## STEP 3 Contact Details

Contact Name \_\_\_\_\_ Contact Daytime Telephone \_\_\_\_\_ Date / /

Email Address \_\_\_\_\_

## Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited (CIS), as registrar for the securities issuers (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing [privacy@computershare.com.au](mailto:privacy@computershare.com.au). We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at [privacy@computershare.com.au](mailto:privacy@computershare.com.au) or see our Privacy Policy at <http://www.computershare.com/au>.