



26 June 2017

Dear Optionholder

Notice to Optionholders of Renounceable Rights Issue

As announced on 23 June 2017, Alicanto Minerals Limited (ACN 149 126 858) (**Company**) is undertaking a pro-rata renounceable entitlement issue of one (1) fully paid ordinary share in the capital of the Company (**Share**) for every four (4) Shares on issue at the record date at an issue price of \$0.14 per Share (**Issue Price**) (**Rights Issue or Offer**). The Company lodged a Prospectus for the Offer (**Prospectus**) with ASIC and ASX on 26 June 2017 and is available on the ASX website (company announcements section, ASX Code: AQI).

Pursuant to the Prospectus, this issue comprises up to 21,314,062 fully paid ordinary shares in the capital of company on the basis of 1 new share for every 4 shares held at 5.00pm (WST) on 3 July 2017 (**Record Date**) at an issue price of \$0.14 per New Share (**Entitlement**), together with 1 free attaching Option for each 2 new Shares subscribed for, each exercisable into one Share at \$0.28 on or before 28 July 2019, to raise up to approximately \$3.0 million (before issue costs) (**Rights Issue**). The Company has applied for quotation of the new Shares and Options but notes the quotation of the Options will be subject to satisfaction of the ASX Listing Rules requirements.

You will not be entitled to participate in the Rights Issue unless you have a registered address in Australia and New Zealand and exercise your options and are entered onto the register as a Shareholder on or before 5.00pm (WST) on the Record Date. Optionholders who have a registered address outside of Australia and New Zealand will be ineligible to participate in the Rights Issue even if they exercise their options.

To exercise your options and thereby be entitled (subject to eligibility) to participate in the Rights Issue in respect of the Shares allotted upon exercise of your options, you will need to deliver to the registered office of the Company a completed Option Exercise Form specifying the number of options to be exercised together with the payment of the exercise price for those options by way of a cheque made payable to the Company.

Option Exercise Forms can be obtained by contacting Security Transfers Australia on 1300 992 916.

Option Exercise Forms and cleared funds must be received by no later than 5.00pm (WST) on 30 June 2017. The rights issue closing date is 19 July 2017.

If you do not wish to exercise your options you do not need to take any action.

If you choose to participate in the Rights Issue by exercising some or all of your options prior to the Record date, you will be sent a Prospectus and personalised entitlement and acceptance form.

Before deciding whether to exercise all or any of your options, you should consider the terms of Rights Issue under the Prospectus and seek professional advice if necessary.

Should you have any further queries please contact the Company Secretary on (08) 6489 0700.

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Jamie Byrde
Company Secretary