

25 May 2018

Dear Option holder

New July 2018 Bonus Option Issue – conditions for existing option holders participation

King River Copper Ltd (Company) announced on 24 May 2018 (copy overleaf) that it intends to lodge a Prospectus, for a new non-renounceable pro rata bonus option issue (Offer) with ASIC and ASX Limited (ASX) in the first week of July 2018.

The New Bonus Options will have an expiry date of 30 June 2020 and have an exercise price of 10 cents or 25% premium to the 5 day trading VWAP share price prior to 30 June 2018 (rounded to the nearest cent), whichever the greater.

Under the Offer eligible shareholders will be issued one option in the Company (New Bonus Option) for every three fully paid ordinary shares held on the Record Date. The Record Date for shareholder entitlements to receive the bonus options is yet to be set and will likely be the second week of July 2018.

Existing option holders may only participate in the Bonus Option Issue if their existing options are exercised on or before their expiry on 30 June 2018.

Please note that it is not compulsory to exercise your options. If you do wish to exercise your options, you may do so by completing all of the steps required by the terms and conditions of those options, including payment of the relevant exercise price prior to their expiry on 30 June 2018.

Should you have any queries on exercising your options please contact the share registry direct on 1300 992 916 and they will be able to assist including advising in relation to the easiest way to make a payment.

Please consult your stockbroker, solicitor, accountant or other financial adviser if you are in any doubt as to how to deal with your options. If you have any questions regarding the Offer please call the undersigned on (08) 9221 8055.

Yours sincerely

Greg MacMillan
Company Secretary
King River Copper Limited

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ASX Announcement

25 May 2018

BONUS OPTIONS

King River Copper Limited (“King River” or “the Company”) (ASX : KRC) is pleased to announce that it will be undertaking a new Bonus Option Issue to reward shareholders by way of an issue of 1 free option for every 3 shares held.

The Bonus Option Issue documentation will be lodged in the first week of July 2018 and the Company will seek ASX listing of these bonus options which will have an exercise price of 10 cents or 25% premium to the 5 day trading VWAP share price prior to 30 June 2018 (rounded to the nearest cent), whichever the greater, and be exercisable at any time up until 30 June 2020.

The Record Date for shareholder entitlements to receive the bonus options is yet to be set and will likely be the second week of July 2018.

Existing option holders may only participate in the Bonus Option Issue if their existing options are exercised on or before their expiry on 30 June 2018.

The Company will notify existing holder of options expiring on 30 June 2018 of their exercise requirements pursuant to the ASX Listing Rules by the end of May.

Should option holders have any queries on exercising their options they should contact the share registry direct on 1300 992 916 and they will be able to assist including advising in relation to the easiest way to make a payment.