

NIMRODEL
resources limited

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ASX Release – 9 SEPTEMBER 2010

LETTER TO SHAREHOLDERS

Dear Shareholder

NON-RENOUNCEABLE ENTITLEMENT ISSUE

Nimrodel Resources Limited (**Company**) has announced to ASX Limited (**ASX**) a pro rata non-renounceable entitlement issue of two (2) shares for every five (5) shares held by shareholders at an issue price of 2 cents per share to raise approximately \$962,161 (**Entitlement Issue**) (**Offer**).

The Offer will result in the issue of 48,108,091 new shares.

The Prospectus relating to the Offer has been lodged with the Australian Securities and Investments Commission, New Zealand Registrar of Companies and ASX and is available on the ASX website for inspection. The timetable and important dates of the Offer* are set out below:

Lodgement of Prospectus and Appendix 3B with ASIC	7 September 2010
Notice sent to Shareholders	8 September 2010
Ex Date	10 September 2010
Record Date for determining Shareholder entitlements	16 September 2010
Prospectus despatched to Shareholders	20 September 2010
Closing Date of Offer	5 October 2010
Despatch date/Shares entered into shareholders security holdings	11 October 2010

** These dates are indicative only and subject to change. The Company reserves the right, subject to the Corporations Act, the ASX Listing Rules and other applicable laws, to vary the dates of the Offer, including extending the Closing Date or accepting late applications, either generally or in particular cases, without notifying you. You are encouraged to submit your application as soon as possible. Any*

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extension of the Closing Date will have a consequential effect on the date of the issue of the securities. The Offer does not require the approval of shareholders.

The proceeds of the Offer, are planned to be used in accordance with the table set out below assuming that \$500,000 is raised and assuming that the Offer is fully subscribed:

Proceeds of the Offer	Assuming \$500,000 is raised under the Offer ¹	Assuming Offer is Fully Subscribed
	\$	\$
Drilling at Buckaroo Project	\$120,000	\$120,000
Exploration at Buckaroo Project	-	\$180,000
Assessment of Projects	\$30,000	\$60,000
Kyrgyzstan costs	\$75,000	\$75,000
Costs of Offer	\$45,268	\$74,153
Working Capital	\$229,732	\$453,008
Total	\$500,000	\$962,161

Notes:

1. In the event that less than \$500,000 is raised under the Offer, proceeds of the Offer will first be applied towards expenses of the Offer and thereafter on working capital. In the event more than \$500,000 but less than the full subscription is raised under the Offer, after covering the expenses of the Offer, the allocations outlined in the above table will be reduced pro rata.
2. Refer to Section 8.4 of the Prospectus for further details relating to the estimated expenses of the Offer.

The above table is a statement of current intentions as at the date of lodgement of this Prospectus with the ASIC. As with any budget, intervening events and new circumstances have the potential to affect the ultimate way funds will be applied. The Board reserves the right to alter the intended use of funds on this basis.

The capital structure of the Company on completion of the Offer will be as follows:

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Shares

	Number
Shares on issue at date of Prospectus	120,270,229
Shares offered pursuant to the Offer	48,108,091
Total Shares on issue after completion of the Offer	168,378,320

Options

	Number
Listed Options exercisable at \$0.10 on or before 30 April 2011	2,876,243
Unquoted exercisable at \$0.30 on or before 31 December 2010	14,100,000
Unquoted exercisable at \$0.80 on or before 31 December 2010	825,000
Unquoted exercisable at \$0.08 on or before 31 March 2012	4,000,000
Unquoted exercisable at \$0.10 on or before 30 April 2011	3,125,000
Unquoted exercisable at \$0.10 on or before 31 March 2012	2,000,000
Total Options on issue after completion of the Offer	26,926,243

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

The Offer is made to shareholders with registered addresses in Australia and New Zealand only. Overseas shareholders (other than those registered in New Zealand who qualify to participate under the mutual recognition scheme between Australia and New Zealand) who wish to participate in the Offer may do so by changing their registered address to one within Australia or New Zealand before the record date being 16 September 2010. Overseas shareholders should contact the Company Secretary with any queries.

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

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Yours faithfully

Mr Damian Delaney
Company Secretary