



# THE CARAJAS COPPER COMPANY

ACN 076 390 451

Dear Shareholder,

## PARTICIPATION IN PRO-RATA NON-RENOUCEABLE ENTITLEMENT ISSUE

As announced to ASX on 14 May 2015, The Carajas Copper Company Limited (**Carajas**) is undertaking a pro-rata non-renounceable entitlement issue of approximately 190,211,514 fully paid ordinary shares in the capital of the Company (**Shares**) for every 1 Share subscribed to its shareholders who are registered as shareholders at 5pm (WST) on 20 May 2015 (**Record Date**) to raise approximately \$951,058 (**Entitlement Issue**).

The Shares will be offered on the basis of 3 new Shares for every 2 Shares held as at the Record Date (**Offer**). The Shares offered under the Entitlement Issue will rank equally with the Shares on issue at the date of the prospectus.

The entitlements under the Offer (**Entitlements**) are non-renounceable, which means that all or part of an eligible shareholder's rights to subscribe for securities under the Offer may not be traded on ASX.

The Company has lodged a prospectus in relation to the Entitlement Issue (**Prospectus**) at the Australian Securities & Investments Commission and ASX and is available on the ASX website at [asx.com.au](http://asx.com.au) for inspection. This document will be despatched to shareholders of the Company on 25 May 2015 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	14 May 2015
Lodgement of Prospectus & Appendix 3B with ASX	14 May 2015
Notice sent to Optionholders	14 May 2015
Notice sent to Shareholders	15 May 2015
Ex date	18 May 2015
Record Date for determining Entitlements	20 May 2015
Prospectus sent out to Shareholders & Company announces that been completed	25 May 2015
Last day to extend the Closing Date	29 May 2015
Closing Date*	3 June 2015
Shares quoted on a deferred settlement basis	4 June 2015
ASX notified of under subscriptions	8 June 2015
Issue date	10 June 2015
Quotation of Shares issued under the Offer*	11 June 2015

\*These dates are subject to change and are indicative only. Subject to the ASX Listing Rules the Corporations Act 2001(Cth) and the terms and conditions of the Underwriting Agreement 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.	Exploration – Copper Projects in Brazil	300,000	31.54
2.	Assessment & potential acquisition of other copper opportunities	100,000	10.51
3.	Payment to third party creditors	400,000	42.06
4.	Expenses of the Offer	26,948	2.83
5.	Working capital and administration costs	124,110	13.05
	Total	951,058	100

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	126,807,676
Shares to be issued pursuant to the Offer	190,211,514
<b>Total Shares on issue after completion of the Offer</b>	<b>317,019,190</b>



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## Performance Shares

	Number
Performance Shares currently on issue	90,000,000
<b>Total Performance Shares on issue after completion of the Offer</b>	<b>90,000,000</b>

## Options

	Number
Listed Options exercisable at \$1.20 each on or before 30 June 2015	5,125,532
Unlisted Options exercisable at \$0.02 each on or before 31 December 2018	30,000,000
<b>Total Options on issue after completion of the Offer</b>	<b>35,125,532</b>

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:

- taking up all of your Entitlement;
- taking up a proportion of your Entitlement and allowing the balance to lapse; or
- allowing all of your Entitlement to lapse.

If you wish to accept all or part of your Entitlement, you must:

- 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
- 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 5pm (WST) on 20 May 2015, 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) 9200 6264.

Yours sincerely

Paula Cowan  
**Company Secretary**  
**THE CARAJAS COPPER COMPANY LIMITED**