



ASX ANNOUNCEMENT
ASX:HWK

11 February 2019

LESS THAN MARKETABLE PARCEL SALE FACILITY

The Directors of Hawkstone Mining Limited (**Company**) are pleased to announce details of a share sale facility (**Facility**) for holders of less than a marketable parcel of the Company's shares (defined in the ASX Listing Rules as a parcel of securities of not less than \$500 in value) (**Small Holding**). The Company has approximately 2,880 shareholders of which approximately 2,415 hold a Small Holding (representing approximately 0.52% of the Company's issued shares).

A Small Holding will be any registered shareholding of less than 29,411 shares on the Record Date. The Record Date for the purposes of establishing holders of Small Holdings has been set at 5pm WST on Friday, 8 February 2019.

The Company is providing the Facility to holders of Small Holdings to sell their shares without incurring any costs that could otherwise make a sale of their shares uneconomic. In addition, the Company expects to reduce the administrative costs associated with maintaining a large number of small shareholdings.

The sale price will be the volume weighted average price received for the sale of all shares under the Facility (**Sale Price**). Each shareholder who does not elect to retain their shareholding will have their shares sold through the Facility as soon as practicable after the Closing Date. Proceeds are expected to be distributed within fourteen days of the sale.

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

Event	Date
Small Holding Record Date	8 February 2019 at 5.00pm (WST)
Small Holding Facility announcement to ASX	11 February 2019
Letters sent to shareholders holding a Small Holding	11 February 2019
Closing Date for receipt of Share Retention Forms	22 March 2019 at 5:00pm (WST)
Small Holding Payment date	Expected to be on or about 5 April 2019

Attached is a copy of the Notice of Intention to Sell, which will be sent to all shareholders holding a Small Holding on the Record Date.

For further information, please contact the Company on +61 8 6143 6705.

Oonagh Malone
Director & Company Secretary



11 February 2019

Dear Shareholder

LESS THAN MARKETABLE PARCEL SALE FACILITY

The Directors of Hawkstone Mining Limited (**Company**) are pleased to provide you with an opportunity to sell your shareholding without incurring brokerage or handling costs.

The sale facility (**Facility**) is open to shareholders who at 5pm (WST) on 8 February 2019 (**Record Date**) held fully-paid ordinary shares in the Company with a value of less than \$500 (**Small Holding**) based on a price of \$0.017 being the closing price of the Company's shares on the Australian Securities Exchange (**ASX**) on the Record Date (i.e. holders of 29,411 shares or less).

The Facility will also help the Company reduce the significant administrative cost of managing these small share parcels.

The Facility will enable investors with Small Holdings, who may find it difficult or expensive to dispose of those shares through other means, to sell their holdings without incurring broking fees. These fees can often render the sale of small parcels unattractive or uneconomical.

The Company has approximately 2,880 shareholders of which approximately 2,415 hold a Small Holding (representing approximately 0.52% of the Company's issued shares).

Our records show that at the Record Date you are the holder of a Small Holding and accordingly you are eligible to participate in the Facility. You may choose to sell all of your holding or retain your holding as explained below.

1. Sell your Small Holding

If you wish to sell your shares without incurring brokerage or handling costs, you do not need to take any action. The Company may, under its Constitution and the ASX Listing Rules, sell your shares through the Facility. The Company is authorised to sell your shares following the closing date of 5pm (WST) on Friday, 22 March 2019 (**Closing Date**).

Your shares will be pooled with other shares under the Facility and sold as soon as practicable after the Closing Date.

The Company has appointed Patersons Securities Limited (**Broker**) to act as an execution-only broker on behalf of shareholders to effect any sales under the Facility.

The price you receive for each share sold through the Facility will be the volume weighted average price received for the sale of all shares under the Facility (**Sale Price**). All participants who have their shares sold will receive the same Sale Price per share, where the proceeds from the sale process will be apportioned pro rata amongst all participating shareholders according to the number of shares sold on their behalf.

The market price of financial products is subject to change from time to time. Whilst the Company and the Broker will endeavor to ensure the best available Sale Price is achieved for your shares under the program, no assurance or certainty can be provided by the Company or the Broker about the price at which shares are sold. In addition, the sale proceeds may differ from the market value of your shares on the Record Date, depending on movements in the market price of the shares.

Sale proceeds will be paid to you by electronic transfer (if you have previously provided banking details to the Company) or alternatively, by cheque to your registered address, as soon as practicable following the sale of your shares. A transaction confirmation statement will be sent to you confirming the number of your shares sold and the price and total sale proceeds you have received. All sale proceeds will be paid in Australian dollars and rounded to the nearest cent.

2. Retain your existing holding

If you wish to retain your existing holding, then you must either:

- Return the enclosed Share Retention Form so that it is received by the Company's share registry by no later than 5.00pm (WST) on Friday, 22 March 2019, being the Closing Date;
- If you hold shares in multiple holdings, arrange to have these holdings merged into one holding of 29,412 or more shares so that this is reflected on the Company's share register at 5.00pm (WST) on the Closing Date; or
- Make your own arrangements outside the Facility to purchase additional shares so that you are the registered holder of at least 29,412 shares at 5.00pm (WST) on the Closing Date.

If you successfully take one or more of these steps, your shares will not be sold under the Facility.

Important information

The Company reserves the right to vary, delay or terminate this Facility by notice to the ASX.

It is important that you read and understand this letter and the enclosed Small Holding Sale Facility - Share Retention Form.

The Company does not make any recommendation or provide any advice regarding whether to retain your shares, acquire additional shares or permit them to be sold under the Facility. You should consider seeking independent financial and taxation advice before making a decision as to whether or not to participate in the program.

You can obtain up-to-date information on the market price of the Company shares by visiting the ASX website (www.asx.com.au) or by contacting your financial adviser.

Any tax consequences arising from participation in the Facility will be your responsibility.

The Company is not bound to sell all or any of the shares that may be available for it to sell under the Facility, and there is no guarantee that the Company will be able to sell your shares. Neither the Company or any person involved in the Sale Facility will be liable for failure to sell the shares or at a particular price.

If you have any questions about the facility, please contact the Company's share registry on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia).

Yours sincerely



Oonagh Malone
Director & Company Secretary