

17 May 2017

Dear Shareholder,

### **Pro-rata Non-Renounceable Entitlements Issue**

As announced on 15 May 2017, Auris Minerals Limited (formerly RNI NL) (ABN 77 085 806 284) ("**Auris**") is offering shareholders in Auris, the opportunity to acquire options ("**Loyalty Options**") in Auris through a non-renounceable entitlements issue ("**Entitlements Offer**") on the basis of one (1) parcel of Loyalty Options ("**Parcel**") comprising:

- one (1) Tranche 1 Loyalty Option, at an issue price of \$0.002; and
- one (1) Tranche 2 Loyalty Option, at an issue price of \$0.002,

for every ten (10) fully paid ordinary Auris shares ("**Shares**") held by the shareholder at 5.00pm Perth time on 23 May 2017 ("**Record Date**").

A Tranche 1 Loyalty Option will entitle its holder to subscribe for a Share at a subscription price of \$0.08 on or before 20 September 2017 and a Tranche 2 Loyalty Option will entitle its holder to subscribe for a Share at a subscription price of \$0.12 on or before 20 June 2018.

The Entitlements Offer is being made to all Auris shareholders whose registered addresses are in Australia or New Zealand and who are recorded as shareholders of Auris on its register of members as at the 5:00pm Perth time on the Record Date. ("**Eligible Shareholders**").

A transaction specific Prospectus pursuant to section 713 of the Corporations Act 2001 (Cth) ("**Prospectus**") for the Entitlements Offer and the offer of additional Loyalty Options in any shortfall, was lodged with ASX on 15 May 2017 and is available for inspection on Auris' website, [www.aurisminerals.com.au](http://www.aurisminerals.com.au).

The Prospectus and personalized entitlement and acceptance forms will be mailed to Eligible Shareholders on 26 May 2017. The Entitlements of Eligible Shareholders will be set out in those personalized forms. Entitlements to fractions of Loyalty Options will be rounded up to the next whole number.

Based on Auris' existing capital structure and disregarding any Entitlements relating to Shares issued on the exercise of Options or on the conversion of Convertible Notes before the Record Date, up to approximately 70,752,908 Loyalty Options in 35,376,454 Parcels of Loyalty Options, comprising approximately 35,376,454 Tranche 1 Loyalty Options and the same number of Tranche 2 Loyalty Options, will be issued pursuant to the Entitlements Offer, if it is fully subscribed, raising approximately \$141,506 before the costs of the Entitlements Offer.

The Entitlements Offer is fully underwritten by Auris Directors, Debbie Fullarton, Robert Martin and Bronwyn Barnes.

Auris intends to apply the funds raised under the Entitlements Offer remaining after the payment of the costs of the Entitlements Offer (estimated to be approximately \$21,506), on exploration activities focused on priority targets within Auris' highly prospective Bryah Basin portfolio.

Given the nature of the Auris' business, the allocation of funds may change depending on environmental, regulatory, market conditions and other natural and commercial factors.

If you are an Eligible Shareholder you will be entitled to do any of the following:

- accept up your full Entitlement;
- accept your full Entitlement and apply for additional Loyalty Shares;
- accept part of your Entitlement and allow the balance to lapse;
- do nothing (in which case you will receive no benefit from your Entitlement and your interest in Auris may be diluted if you do not accept your full Entitlement, your percentage shareholding in Auris may be diluted as a result of Shares issued on the exercise of any Loyalty Options issued under the Prospectus).

Table 1 sets out the indicative timetable for the Entitlements Offer.

Table 1

Event	Date
Appendix 3B and Prospectus lodged with ASIC and ASX	15 May 2017
Notice sent to security holders containing the indicative timetable and the information required by Appendix 3B	17 May 2017
<b>"EX" DATE.</b> Shares commence trading ex-entitlements	22 May 2017
<b>RECORD DATE</b> to identify security holders entitled to participate in the issue	23 May 2017
Prospectus and Entitlement and Acceptance forms despatched to Eligible Shareholders	26 May 2017
Last day to extend offer closing date	2 June 2017
<b>CLOSING DATE</b> Offer closes at 5.00pm (Perth time)	7 June 2017
Securities quoted on a deferred settlement basis	8 June 2017
ASX notified of under subscriptions	9 June 2017
<b>ISSUE DATE.</b> Deferred settlement trading ends. Last day for Company to confirm to ASX all information required by Appendix 3B	13 June 2017
Normal trading (T+2 trading) expected to start	14 June 2017

These dates are indicative only and subject to change. Auris reserves the right, subject to ASX Listing Rules and any applicable laws, to amend this indicative timetable including, but not limited to, the right to extend the Closing Date or to accept late applications, either generally or in particular cases, without notifying you. Table 2 sets out the capital structure of Auris on completion of the Entitlements Offer (assuming the Entitlements Offer is fully subscribed and no options are exercised or convertible notes are converted after the date of the Prospectus but before the Record Date and ignoring any variations that may be attributable to the fact that fractional Entitlements will be rounded up to the next whole number):

Table 2 <sup>1</sup>

Shares	Number
Shares on issue at the date of this Prospectus	<b>317,764,542</b>
Shares to be issued pursuant to a Placement <sup>2</sup>	36,000,000
Shares to be issued pursuant to the Offer	-
<b>Shares on issue on completion of the Offer</b>	<b>353,764,542</b>
<b>Options</b>	
Unlisted options expiring 15 September 2017 exercisable at \$1.25 each	600,000
Unlisted options expiring 9 November 2017 exercisable at \$3.00 each	300,000
Unlisted options expiring 31 January 2018 exercisable at \$0.15 each	600,000
Unlisted options expiring 20 September 2018 exercisable at \$0.12 each	6,000,000
Unlisted options expiring 3 October 2018 exercisable at \$0.60 each	1,480,000
Unlisted options expiring 8 October 2019 exercisable at \$1.30 each	2,500,000
<b>Options on issue at the date of this Prospectus</b>	<b>11,480,000</b>
Options to be issued pursuant to the Placement <sup>2</sup>	
Unlisted Placement Options expiring 20 September 2017 exercisable at \$0.08 each	14,400,000
Unlisted Placement Options expiring 20 June 2018 exercisable at \$0.12 each	14,400,000
Options to be issued pursuant to the Offer	
Tranche 1 Options to be issued pursuant to the Offer	35,376,454
Tranche 2 Options to be issued pursuant to the Offer	35,376,454
<b>Options on issue on completion of the Offer</b>	<b>111,032,908</b>
<b>Shares issuable on conversion of Convertible Notes.</b> <sup>3</sup> Convertible Notes expiring 1 July 2018 totalling \$60,000 convertible to Shares at a conversion price of \$0.05 each	<b>1,200,000</b>
<b>Shares due in respect of accrued interest on Convertible Notes as at 15 May 2017</b>	<b>53,655</b>
Interest payable at 12% in shares at a conversion price of \$0.05 each	
<b>Maximum number of Shares on a fully diluted basis following completion of the Offer (assuming all Options are exercised and all Convertible Notes are converted).<sup>1</sup></b>	<b>466,051,105</b>

**Note 1.:** Table 2 does not take into account the Entitlements that would attach to Shares that would be issued if any of the Options or Convertible Notes described in the table were exercised or converted before the Record Date.

**Note 2.:** The Shares and Placement Options to be issued under the Placement, which was announced to ASX on 9 May 2017 have not been issued as at the date of the Prospectus but are expected to be issued by Auris before 5:00 pm (WST) on the Record Date.

Before deciding whether to take up some or all of your Entitlements, you should read the Prospectus in its entirety and consult with your professional adviser.

Yours faithfully,

**DEBBIE FULLARTON  
EXECUTIVE DIRECTOR**

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