



Niuminco Group Limited

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ABN 44 009 163 919*

20 September 2016

Companies Announcements Office
Australian Securities Exchange
Exchange Square
20 Bridge Street
SYDNEY NSW 2000

Dispatch of Share Purchase Plan Offer Documents

Niuminco Group Limited (NIU) advises that the following attached documents which relate to its Underwritten Share Purchase Plan offer (SPP) announced to the market on 16 September 2016 will be dispatched to all eligible shareholders tomorrow:

Letter to shareholders inviting participation in the SPP;

SPP application form (sample only) and

SPP terms and conditions.

NIU confirms that the offer under its SPP will open tomorrow Wednesday 21 September 2016.

Mark Ohlsson
Company Secretary
Niuminco Group Limited



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(Shareholder name/address)

Dear Shareholder

Niuminco Group Limited - Share Purchase Plan

On behalf of the Board of Directors, I am pleased to offer eligible shareholders of Niuminco Group Limited (**NIU** or the **Company**) an opportunity to further participate in the success of the Company through the Underwritten Share Purchase Plan (**SPP**) which was announced on 16 September 2016.

Under the SPP, holders of fully paid ordinary NIU shares on the share register at the record date of 15 September, with an address in Australia, New Zealand or Papua New Guinea are invited to purchase up to \$15,000 worth of new shares (subject to a minimum application of \$500) regardless of the number of NIU shares they currently hold. Custodians will be able to apply on behalf of nominees pursuant to ASIC Class Order (CO 09/425). Participation in the SPP is entirely voluntary.

The issue price for the shares under the SPP will be an amount representing a 20% discount to the volume weighted average price of NIU Shares traded during the five ASX trading days immediately prior to the issue date for the offer, subject to rounding provisions and to the issue price being not less than \$0.004 per share.

If the shares under the SPP would be issued at less than \$0.004, no shares will be issued, the SPP will terminate and application monies received by the Company will be returned to applicants without interest.

The SPP is underwritten by Patersons Corporate Finance (**Patersons**) up to \$750,000 subject to the satisfaction of various conditions precedent. Details of the underwriting arrangements are as otherwise set out in clause 6 of the attached Share Purchase Plan Offer Terms and Conditions.

This SPP offer opens on Wednesday, 21 September 2016 and will remain open until Friday, 7 October 2016.

It is with pleasure that I invite you to participate in the next phase of growth for our company.

NIU is focused on increasing its gold/silver mining and processing production levels at its Edie Creek Mine, and accelerating its resource and exploration drilling at Edie Creek, Bolobip and May River in PNG and at its 72.4% owned TNT Mines Ltd's Tasmanian tin and tungsten deposits.

Over the past 12 months we have successfully increased our production and processing capacity at Edie Creek from 6 tonnes per day to approximately 12 tonnes per day, whilst over the same period significantly increasing our geological knowledge of the vein systems at Edie Creek.

NIU is currently conducting a resource drilling program at the Enterprise vein system with the aim of establishing an initial JORC Resource for the mining tenements. We are also well positioned to now further increase our mining and processing capacity and to achieve a consistent supply of medium to high-grade ore and significantly increased production levels of +40 tonnes per day.

The capital raised through this SPP will be used to acquire additional mining and processing equipment, accelerate our drilling programs, reduce debt and liabilities and provide additional working capital.

SPP timetable

Record date	15 September 2016
SPP offer period	21 September 2016 – 7 October 2016
SPP pricing period	29 September 2016 – 6 October 2016
SPP allotment date	On or before 17 October 2016

If you wish to participate, please complete the enclosed Application Form and forward it to our share registry.

Please note that this letter does not constitute financial product advice and does not take into account the investment objectives, financial situation, tax position or particular needs of individuals. If you are in doubt of the course of action that you should follow, you should consult your stockbroker, accountant, taxation adviser, solicitor or other professional advisor before participating in the SPP.

I advise you to carefully read the enclosed Terms and Conditions of the SPP before making your investment decision. In particular, you should note the risk of movements in the NIU share price, which is set out in Section 3.2.

If you have any questions in relation to the SPP or how to complete the application form please contact the Company Secretary, Mark Ohlsson, mohlsson@niuminco.com.au phone +61 400 801 814.

On behalf of the Board, I thank you for your continued support as a NIU shareholder.

Yours sincerely,

Professor Ian Plimer
Chairman

Niuminco Group Limited

ACN 009 163 919

SHARE PURCHASE PLAN OFFER TERMS AND CONDITIONS

1. OFFER AND TIMETABLE

- 1.1 This Share Purchase Plan (“**SPP**”) is an invitation to Eligible Shareholders made by Niuminco Group Limited (“**NIU**” or “**Company**”) to subscribe for fully paid ordinary shares in NIU (“**NIU Shares**”) at an amount representing a 20% discount to the volume weighted average price of NIU Shares traded during the five ASX trading days immediately prior to the date the shares are issued (“**Issue Date**”), subject to the issue price not falling below \$0.004 per NIU Share, and subject to the rounding provisions set out in clause 3.4.
- 1.2 This offer is dated and taken to be made on Thursday, 15 September 2016 (“**Record Date**”). The offer opens on Wednesday, 21 September 2016 (“**Opening Date**”).
- 1.3 The offer closes at 5.00pm Sydney, Australia time on Friday, 7 October 2016 (“**Closing Date**”), unless extended. Application forms and cheques or money orders may not be processed or held to be valid if they have not been received by the Company by this time.
- 1.4 The shares are proposed to be allotted on or before 17 October 2016 and holder statements dispatched to you on or before 19 October 2016 (“**Allotment and Dispatch Date**”).
- 1.5 The Company has the discretion to change, at any time, any of the Opening Date, the Closing Date, the Allotment and Dispatch Date to later dates by lodging a revised timetable with ASX.
- 1.6 This offer is conducted pursuant to ASIC Class Order CO 09/425, which grants relief from the requirement to prepare a disclosure document for the offer of shares under share purchase plans.

2. ELIGIBILITY TO PARTICIPATE

- 2.1 You are eligible to participate in the offer only if you are, subject to clause 2.4, recorded as the registered holder of NIU Shares in the Company’s register of members at 7.00pm Sydney, Australia time on the Record Date with a registered address (as recorded in the Company’s register of members) in either Australia, New Zealand or Papua New Guinea (“**Eligible Shareholder**”). The Board has determined that it is not practical for holders of shares who are resident in other jurisdictions to participate in the SPP.
- 2.2 To the extent that you hold shares on behalf of another person resident outside Australia, New Zealand or Papua New Guinea, it is your responsibility to ensure that any acceptance is in compliance with all applicable foreign laws.

- 2.3 Joint holders of shares are taken to be a single registered holder of shares for the purposes of determining whether they are an Eligible Shareholder and the certification in clause 8.1(c) and on the application form is taken to have been given by all of them.
- 2.4 Where a trustee or nominee is a registered holder of shares and is expressly noted on the Company's register of members as holding shares on account of a named beneficiary, the named beneficiary will be taken to be the registered holder of those shares. An application of shares, certification (for the purposes of clause 8.1(c)) or issue of shares to the trustee or nominee will be taken to be an application or certification by, or an issue to, the named beneficiary.
- 2.5 If you are a custodian, trustee or nominee within the definition of "custodian" in ASIC Class Order CO 09/425 ("**Custodian**") and hold NIU Shares on behalf of one or more persons resident in Australia, New Zealand or Papua New Guinea (each of those persons being a "**Participating Beneficiary**"), you may apply for up to \$15,000 worth of NIU Shares in any 12 month period, in varying increments as listed on the Application Form (subject to a minimum application of \$500), for each Participating Beneficiary, subject to you providing a notice in writing to NIU (the "**Custodian Certificate**") certifying the following:
- a) that:
- i. you hold NIU Shares on behalf of Participating Beneficiaries who are not custodians, and/or
 - ii. another custodian ("**Downstream Custodian**") holds beneficial interests in NIU Shares on behalf of one or more Participating Beneficiaries and you hold the shares to which those beneficial interests relate on behalf of the downstream custodian or another custodian,
- in each case, where the Participating Beneficiary has asked the custodian or Downstream Custodian (whichever is applicable) to apply for NIU Shares on their behalf under the SPP;
- b) the number of Participating Beneficiaries;
- c) the name and address of each Participating Beneficiary;
- d) the number of NIU Shares that you hold on behalf of each Participating Beneficiary;
- e) the number or dollar amount of New Shares which each Participating Beneficiary has instructed you or the Downstream Custodian to apply for on their behalf;
- f) there are no Participating Beneficiaries in respect of which the total of the application price for the following exceeds \$15,000:

- i. the shares or interests applied for by you as custodian to the Participating Beneficiaries under the SPP in accordance with subparagraph e) above; and
 - ii. any other NIU Shares issued to you in the 12 months before the application as a result of an instruction given by them to you or the Downstream Custodian to apply for NIU Shares on their behalf under an arrangement similar to the SPP;
- g) that a copy of the written offer document was given to each Participating Beneficiary;
- h) the name and address of each Downstream Custodian, if any;
- i) any such additional or varied information as might be required by NIU in relation to the SPP.

To the extent that you hold NIU Shares on behalf of another person resident outside Australia and New Zealand, it is your responsibility to ensure that any acceptance complies with all applicable foreign laws.

For the purposes of ASIC Class Order CO 09/425, you are a Custodian if you are a registered holder that:

- a) holds an Australian Financial Services Licence that:
 - i. covers the provision of a “custodial or depository service” (as defined in section 766E of the *Corporations Act*); or
 - ii. includes a condition requiring the holder to comply with ASIC Class Order CO 02/294; or
- b) is exempt under:
 - i. paragraph 7.6.01(1)(k) of the *Corporations Regulations 2001* (“**Regulations**”); or
 - ii. paragraph 7.6.01(1)(na) of the Regulations; or
 - iii. ASIC Class Order [CO 05/1270] to the extent that it relates to ASIC Class Order [CO 03/184]; or
 - iv. ASIC Class Orders [CO 03/1099], [CO 03/1100], [CO 03/1101], [CO 03/1102], [CO 04/829] or [CO 04/1313]; or
 - v. an individual instrument of relief granted by ASIC to the person in terms similar to one of the class orders referred to in subparagraph (ia); or
 - vi. paragraph 911A(2)(h) of the Act;

from the requirement to hold an Australian financial services licence for the provision of a custodial or depositary service; or

- c) that is a trustee of a:
 - i. self-managed superannuation fund; or
 - ii. superannuation master trust; or
- d) that is the responsible entity of an IDPS-like scheme; or
- e) that is the registered holder of shares or interests in the class and is noted on the register of members of the body or scheme (as the case may be) as holding the shares or interests on account of another person.

If you hold NIU Shares as a trustee or nominee for another person, but are not a Custodian as defined above, you cannot participate for beneficiaries in the manner described above unless NIU otherwise agrees. In this case, the rules for multiple single holdings (above) apply. Custodians should have received a Custodian Certificate. If you did not receive a Custodian Certificate or would like further information on how to apply, you should email registrar@securitytransfer.com.au.

- 2.6 If you are an Eligible Shareholder, your rights under this offer are personal to you and non-renounceable, so you may not transfer them.
- 2.7 An offer will not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer.
- 2.8 Participation in the offer is optional.

3. OFFER PRICE

- 3.1 The price for each SPP share offered for issue under the SPP (“**Offer Price**”) represents a 20% discount to the volume weighted average price of NIU Shares during the five trading days immediately prior to the Issue Date, subject to clauses 3.3 and 3.4.
- 3.2 By accepting an offer and applying for shares, each Eligible Shareholder acknowledges that the market price of shares may rise or fall between the date of this offer and the Allotment Date. Any such change in the share price may affect the Offer Price. This means that the Offer Price may be either higher or lower than the market price of shares at the time the SPP shares are issued to you. Eligible Shareholders should obtain financial advice in relation to the offer and consider price movements of the shares before accepting the offer.
- 3.3 In the event that the Offer Price, calculated in accordance with clause 3.1 above, would be less than \$0.004, no shares will be issued, the SPP will terminate and application monies received by the Company will be returned to applicants without interest.
- 3.4 In the event that the calculation of the Offer Price under clause 3.1 produces a price which is not a multiple of \$0.001, the amount of the discount will be rounded down to the nearest

\$0.001, unless the application of this rule would result in there being no discount, in which case the Offer Price will be \$0.004 per share.

4. APPLICATIONS FOR SHARES

- 4.1 If you are an Eligible Shareholder and wish to participate in the SPP, you must follow the instructions on the application form and:
- a) complete the application form and provide a cheque or money order made payable to “Niuminco Group Limited”, delivered to Security Transfer Australia Pty Ltd whose address details are on the Application Form (“**Share Registry**”); or
 - b) make payment by BPAY equivalent to the value of the parcel of NIU Shares you wish to apply for, using the information provided on the application form,

so that payment is received by the Share Registry by 5:00pm AEST on the Closing Date. Payments must be denominated in Australian dollars.

- 4.2 You may apply to purchase shares to the value of the parcel you select on the application form. These parcels are subject to scale-back.
- 4.3 Eligible Shareholders who receive more than one offer under the SPP (for example, because they hold shares in more than one capacity) may apply on different application forms for more than one parcel, but may not apply for shares with an aggregate value of more than A\$15,000. If an offer is received by an Eligible Shareholder who is expressly noted on the Company’s register of members as a trustee or nominee on account of a named beneficiary, then any shares issued in relation to that offer will not be included in calculating the maximum number of shares that may be applied for by the named beneficiary.
- 4.4 An Eligible Shareholder must provide the Company with a certification that the A\$15,000 limit is not breached by it as set out in clause 8.1(c) and the application form.
- 4.5 The Board reserves the right to reject any application for SPP shares to the extent that it considers that the application (whether alone or in conjunction with other applications) does not comply with these requirements, these terms and conditions or for any other reason. If an application is refused, the application monies received will be refunded without interest.
- 4.6 The Board has the discretion to determine the maximum aggregate amount that may be raised under an offer and accordingly, the maximum number of shares that may be issued. The Company reserves the rights to scale-back, pro-rata, allocations under an offer if the total number of shares applied for exceeds the maximum number of shares that may be issued under an offer.
- 4.7 The Company reserves the right to issue fewer shares than an Eligible Shareholder applied for under the SPP (or none at all) at its sole discretion. Excess application monies will be refunded without interest.

5. COSTS OF PARTICIPATION

No brokerage, commissions, stamp duty or other transaction costs will be payable by Eligible Shareholders in respect of the application form and issue of shares under the SPP.

6. UNDERWRITING

- 6.1 The Offer is underwritten to \$750,000 (**Underwritten Amount**) by Patersons Securities Limited (**Underwriter**). The underwriting agreement between the Company and the Underwriter contains customary conditions, warranties and undertakings and is subject to various termination events exercisable by the Underwriter, some of which include:
- (a) any of the All Ordinaries Index or the Standard and Poors/ASX Small Resources Index as published by ASX being, at any time after the date of the Underwriting Agreement (being 15 September 2016), 7.5% or more below its respective level as at the close of business on the Business Day (as defined in the Underwriting Agreement) prior to the date of the Underwriting Agreement;
 - (b) there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of the Underwriting Agreement involving one or more of Australia, New Zealand, Indonesia, Papua New Guinea, the United Kingdom, the United States of America or the People's Republic of China, to the extent that this has or is likely to have a Material Adverse Effect (as defined in the Underwriting Agreement) or could give rise to a liability of the Underwriter; and
 - (c) NIU Shares trade, at any time, lower than \$0.004 per share.
- 6.2 In the event that Eligible Shareholders subscribe for an amount less than \$750,000 (**Shortfall Amount**), then the Underwriter will apply for NIU Shares to the value of the difference between the Shortfall Amount and the Underwritten Amount (**Shortfall Shares**). The placement of any Shortfall Shares to the Underwriter is subject to the Company having the capacity to do so under the ASX Listing Rules and, at the date of the Offer, such capacity is available to the Company.
- 6.3 In addition to the Underwritten Amount, the Underwriter may elect to undertake a placement of additional NIU Shares at the Offer Price (**Top-Up Placement**) at the conclusion of the SPP. The Top-Up Placement will only apply to the extent that Eligible Shareholders subscribe for NIU Shares and thereby reduce the number of Shortfall Shares the Underwriter would otherwise subscribe for under the Underwriting Agreement.
- 6.4 The Underwriter will be entitled to a fee of 6% on the gross amount raised in the SPP and Top-Up Placement (if any). The Underwriter will also receive a Corporate Advisory Fee of 20 million options in NIU, exercisable at \$0.007 per share, with a two-year expiry and a consideration payable of \$0.00001 per option. The placement of Shortfall Shares and Shares under the Top-Up Placement to the Underwriter is subject to available capacity under the Company's placement capacity according to ASX Listing Rules.

7. GENERAL

- 7.1 The SPP will be administered by the Board or a committee of the Board that will have absolute discretion to:
- (a) determine appropriate procedures for administration of the SPP;
 - (b) resolve conclusively all questions of fact or interpretation, difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the

SPP, whether generally or in relation to any participating Eligible Shareholder, or application for shares, and any such resolution will be conclusive and binding on all participants and other persons to whom the resolution relates;

- (c) delegate to any one or more persons, for such a period and on such conditions as they may determine, the exercise of their powers or discretions under the SPP; and
- (d) suspend, change or terminate the offer at any time. Any omission to give notice of changes to, or termination of, the offer, or the non-receipt of any such notice, will not invalidate the change or termination.

7.2 If you apply for shares under the SPP, you will apply for a certain value rather than a certain number of shares. The number of shares you receive will be determined by:

- (a) if there is no scale-back applied to your allotment, dividing the value of the shares you have applied for by the Offer Price; or
- (b) if there is a scale-back applied to your allotment, dividing the value of the shares you have been allotted by the Offer Price.

If this calculation produces a fractional number, the number of SPP Shares you are issued will be rounded up to the nearest whole number of SPP Shares.

7.3 Shares issued under the SPP will rank equally with and have the same voting rights and other entitlements as existing NIU Shares quoted on the ASX.

7.4 The allotment of shares for all valid applications from Eligible Shareholders will be made within 15 business days after the Closing Date.

7.5 The Company will apply for shares issued under the SPP to be quoted on the ASX within 15 business days after the Closing Date. It is anticipated that the shares will be quoted on the ASX shortly after the Allotment Date.

7.6 These terms and conditions are governed by the laws in force in New South Wales.

7.7 The requirements of the ASIC Class Order CO 09/425 are incorporated into this SPP.

7.8 Potential investors should carefully consider the risks in light of their personal circumstances (including financial and taxation issues) and seek professional advice from their stockbroker, accountant, lawyer or other professional adviser.

7.9 NIU Shares are not being offered or being sold to the public within New Zealand or Papua New Guinea other than to existing shareholders of NIU with registered addresses in those countries. This document has not been registered, filed with or approved by any regulatory authority of any country outside of Australia. This document is not an investment statement or prospectus under the law of any country outside of Australia and may not contain all the information that such a country requires an investment statement or prospectus to contain.

8. DECLARATION AND ACKNOWLEDGEMENT

8.1 By making payment by BPAY or by forwarding a cheque and completing the application form, an Eligible Shareholder;

- (a) irrevocably and unconditionally agrees to these terms and conditions and agree not to do any act or thing which would be contrary to the spirit, intention or purpose of the SPP;
- (b) agrees to accept any lesser dollar amount of shares than the dollar amount of shares applied for, including zero dollars worth of shares in the event that the offer is terminated in accordance with clause 3.3;
- (c) certifies that the aggregate of the application price does not exceed \$15,000 for:
 - (i) the shares the subject of the application form;
 - (ii) any other share applied for by, or on behalf of, the Eligible Shareholder under the SPP or any similar plan operated by the Company in the 12 months prior to the offer;
 - (iii) any other shares or interests in the class which the Eligible Shareholder has instructed a custodian to acquire on their behalf under the SPP, and
 - (iv) any other shares or interests in the class issued to a custodian under an arrangement similar to the SPP in the 12 months before the application as a result of an instruction given by the Eligible Shareholder to the custodian or another custodian and which has resulted in the Eligible Shareholder holding beneficial interests in the shares;
- (d) agrees to be bound by the Company's constitution in respect of shares issued under the SPP;
- (e) accepts that it will not be able to withdraw or revoke its application or BPAY payment once it has been sent to the Company, other than in the event that the offer is terminated in accordance with clause 3.3;
- (f) authorises NIU (and its officers or agents) to correct any error or omission in its application form and to complete the application form by the insertion of any missing details;
- (g) acknowledges that NIU may at any time determine that its application form is valid, in accordance with these terms and conditions, even if the application form is incomplete, contains errors or is otherwise defective;
- (h) accepts the risk associated with any refund that may be sent to it by direct credit or cheque to its address show on NIU's member's register;
- (i) acknowledges that it is responsible for any dishonour fees or other costs NIU may incur in presenting a cheque for payment which is dishonoured;
- (j) acknowledges that neither NIU nor Security Transfer Australia Pty Ltd has provided you with investment advice or financial product advice, and that neither has any obligation to provide this advice, concerning your decision to apply for and buy shares;

- (k) acknowledges that NIU is not liable for any exercise of its discretion referred to in these terms and conditions; and
- (l) certifies that its acceptance of an offer under SPP will not result in it breaching the 20% limit imposed by section 606 of the *Corporations Act 2001* (Cth).