

25 September 2015

Company Announcements Officer
Australian Stock Exchange
20 Bridge Street
SYDNEY NSW 2000

Dear Sir

RE: AUSTPAC RESOURCES N.L.
SHAREHOLDERS' SHARE PURCHASE PLAN

The Directors of Austpac Resources N.L. (ASX:APG) are pleased to announce the introduction of a Shareholders' Share Purchase Plan.

The purpose of the plan is to offer shareholders the opportunity of participating in the commercial progression of the Newcastle Iron Recovery Plant.

The issue price for the new shares will be .006 cents per share, representing an approximate 20% discount to the average trading price over the last 30 business days. Shareholder eligibility for participation of the Plan will be determined on 24 September 2015, and the offer is planned to close on 30 October 2015.

Following are the Letter to Shareholders, Application Form and Terms and Conditions of the Plan.

Yours faithfully

M.J. Turbott
Managing Director

enc

25 September 2015

THIS DOCUMENT IS VALUABLE

Dear Shareholder

**RE: AUSTPAC RESOURCES N.L.
SHAREHOLDERS SHARE PURCHASE PLAN**

The Directors of Austpac Resources N.L. (ASX:APG) are pleased to provide all Australian and New Zealand registered shareholders the opportunity to participate in a Shareholders Share Purchase Plan (the “Plan”).

Details of the Plan

The Plan entitles you, as an eligible shareholder in the Company and irrespective of the size of your shareholding, to purchase up to \$15,000 worth of shares in the Company at a fixed issue price of .006 cents per share. The issue price represents a 20% discount to the average trading price of the Company’s shares over the 30 business days immediately prior to 25 September 2015. The record date for determining your eligibility to participate is 24 September 2015.

Purchase of shares under the Plan is free from all brokerage, commission, and represents an opportunity for shareholders to increase their shareholdings free of normal transaction duties. In particular, the Plan offers those shareholders who may hold less than a marketable parcel of shares an opportunity to increase their holdings to a marketable size. The minimum purchase is \$1,000 worth of shares.

The company will not issue more than 700,000,000 ordinary shares under the Plan, which represents 34% of the issued capital of Austpac. The maximum amount that would be raised is approximately \$4,200,000. Subscriptions in excess of this amount will be scaled back by the Company, and the Directors have reserved the right to close the offer earlier than the closing date of 30 October 2015 without notice.

If you wish to participate in this Shareholders Share Purchase Plan, you must complete and lodge the attached application form together with your payment by the closing date of 30 October 2015.

Purpose of the Plan

The purpose of the plan is to offer shareholders the opportunity of participating in the commercial progression of the Newcastle Iron Recovery Plant.

Austpac continues to advance negotiations and discussions with Ixom Operations Pty Ltd (Ixom, formerly Orica Chemicals) and ABR Process Development (ABR) for the commercial progression of the Newcastle Iron Recovery Plant (NIRP). By integrating ABR’s zinc recovery cell with the NIRP, the Plant will be able to recover an additional product and fully utilise the 85% completed Newcastle project on which \$18.5 million has been spent to date.

The business objective is to improve the potential profitability of the Plant by recycling steel industry furnace dusts and by-products and producing pig iron, hydrochloric acid and zinc.

Ixom, ABR and Austpac are jointly assessing the economic feasibility of combining ABR's and Austpac's processes in the NIRP with the objective of funding the completion of construction, commissioning and commencement of production at the Plant.

Austpac is finalising a new mass and energy balance for the Plant because the inputs and outputs have changed with modifications to the flowsheet. When fully operational the Plant will have the capacity to produce up to 15,000 tonnes per year (tpa) of pig iron, 15,400 tpa of strong acid (44% w/w), and 4,000 tpa of zinc. The Company is also generating new capital and operating costs for the Plant based on the revised flowsheet. Preliminary indications are that the addition of the ABR zinc process cell and an induction furnace will be partially offset by the simplification of the flowsheet, so while there will be an increase in capital costs, the increased revenue resulting from the sale of zinc and pig iron will significantly improve the profitability of the NIRP project.

The commercial evaluation is progressing well and Austpac will continue to report as the assessment for investment proceeds.

Your Directors believe it is in the best interests of the Company's current shareholders, to give each of you the opportunity to increase your shareholding at this time through this Plan.

All Directors have indicated that they will increase their shareholding and take the maximum number of shares available to them pursuant to this offer.

Your Directors believe it is in the best interests of the Company's current shareholders, to give each of you the opportunity to increase your shareholding at this time through this Shareholders Share Purchase Plan. All Directors will be applying for their full entitlement of shares under this offer.

Shares Offered

Eligible shareholders may apply for a specified number of shares, under one of the following alternative offers:

Offer	No of Shares Offered	Subscription Amount
A	166,666	\$1,000
B	333,333	\$2,000
C	1,666,666	\$10,000
D	2,500,000	\$15,000

The offer to shareholders is restricted to one of these four offerings of shares (Offer A, B, C or D). It is not possible to apply for less shares than Offer A, or more shares than Offer D.

All new shares issued under the Share Purchase Plan will rank equally with existing fully paid ordinary shares in Austpac Resources at the date of allotment and will carry the same voting rights, dividend rights, and other entitlements at the allotment date.

Austpac Resources reserves the right to reject any application for Share Purchase Plan shares to the extent it considers that the application (whether alone or in conjunction with other applications) does not comply with these requirements.

Scaling Back of Applications

The Austpac Resources N.L. board has determined that the Shareholders Share Purchase Plan should be subject to a maximum amount raised of \$4,200,000 (approximately 700,000,000 shares), and has therefore set a cap on the number of shares that may be issued under the Plan.

In the event that the Company receives subscriptions totalling more than 700,000,000 ordinary shares the Company intends to scale back the applications to total the maximum number of shares and seek shareholder approval to any oversubscriptions in a General Meeting of Shareholders.

Allotment of Shares

Shares issued under the SPP will be allotted on or about the allotment date, 30 October 2015. Austpac Resources will promptly after allotment make application to the Australian Stock Exchange for the shares to be listed for quotation. Individual statements of shares allotted under the SPP should be received shortly after the allotment date.

Timetable

Record date	24 September 2015
Share Purchase Plan offer closes	30 October 2015
Issue and allotment of Shares	2 November 2015
Anticipated quotation of Shares on ASX	4 November 2015

If you have any questions in respect of the Share Purchase Plan, please contact your stockbroker or financial adviser.

Acceptance of Offer

Participation in the Plan is entirely at your discretion and is subject to the Terms and Conditions enclosed. The share price may rise or fall before the date shares are issued to you and you should therefore seek your own financial advice in relation to your participation in the Plan.

Applications must be received prior to the close of the offer at 5pm on 30 October 2015. If you wish to participate, please forward your completed application form, together with a cheque payable to "Austpac Resources N.L." to GPO Box 5297, Sydney, NSW, 2001.

I endorse this issue and strongly recommend that you take the opportunity to increase your shareholding at these prices at this time.

If you have any questions in relation to the Plan, please contact Nicholas Gaston or me on (+61-2) 9252 2599. Please refer to our website www.austpacresources.com for further information on the Company and its activities.

Yours faithfully



M.J. Turbott
Managing Director



ABN 87 002 264 057

SHAREHOLDERS SHARE PURCHASE PLAN APPLICATION FORM

Name: _____

Address: _____

APPLICATION

I/We the above mentioned being registered as ordinary shareholder(s) in the Company as at 24 September 2015 do hereby apply for the number of new fully paid ordinary shares as stated below at an issue price of .006 cents per share issued in accordance with the terms of the Austpac Resources N.L. ABN 87 002 264 057 Shareholders Share Purchase Plan (attached) and the Constitution of the Company. I/We enclose payment as stated below and hereby authorise you to place my/our name(s) on the register of members in respect of the new fully paid shares allotted to me/us.

NUMBER OF SHARES	AMOUNT ENCLOSED	IMPORTANT NOTICE
_____ @ .006 cents each	\$ _____	<ul style="list-style-type: none"> - The minimum application amount is \$1,000 - The maximum application amount is \$15,000

For example	
Offer A:	\$1,000 = 166,666 shares
Offer B:	\$2,000 = 333,333 shares
Offer C:	\$10,000 = 1,666,666 shares
Offer D:	\$15,000 = 2,500,000 shares

PAYMENT BY CHEQUE

Insert details of your cheque or bank cheques - please complete in BLOCK LETTERS

Name of Drawer	Cheque No.	Bank	Branch	Amount

Signature of Applicant:

Please provide a daytime (business hours) telephone number so that we can contact you if we have any questions regarding your application.

Phone (.....)

LODGE YOUR APPLICATION AS SOON AS POSSIBLE

NOTE: Return of the completed Application Form, together with your cheque(s) for the application moneys, will constitute your offer to subscribe for new shares in the Company, and your acceptance of the Terms and Conditions of the Austpac Resources N.L. Shareholders' Share Purchase Plan.

This Shareholders Share Purchase Plan Application Form with your payment must be lodged at the Company's office at Level 3, 62 Pitt Street, Sydney or GPO Box 5297, Sydney, 2001 no later than 5pm Sydney time on 30 October 2015.

CERTIFICATION

By completing and returning this Application Form, with my cheque(s) payment for the application monies, I/we hereby:

1. Acknowledge that I/we have read and understood the Terms of the Austpac Resources N.L. Shareholders Share Purchase Plan;
2. Agree to be bound by the terms of the Austpac Resources N.L. Shareholders Share Purchase Plan and the Company's Constitution;
3. Agree to accept any lesser number of new shares than the number of new shares applied for; and
4. Certify that the amount of shares subscribed for by me/us pursuant to the Austpac Resources N.L. Shareholders Share Plan (being a maximum of \$15,000 worth of shares) does not exceed \$15,000, taking in to account all applications including joint and other beneficial interests.

INSTRUCTIONS TO COMPLETE APPLICATION FORM

Completion of Application Form

Insert the total amount of your subscription payment in the box headed "Amount Enclosed". If the amount of your stated payment is a different amount to the actual total of cheques included with this Application Form, the Company reserves the right to either reject your application or accept it in respect of the lesser of your stated subscription amount or your actual payment total. Receipts for payments will not be issued.

Please complete all relevant sections of the Application Form using BLOCK LETTERS.

Please see the instructions below under the heading "Payment" in relation to how you may pay for the new shares subscribed for.

How to Lodge your Application

*The completed Application Form, together with your payment for the full amount of new shares applied for, should be enclosed and returned with this Application. **This must be received by Austpac Resources N.L. by 5.00pm (Sydney time) on or before 30 October 2015.***

Payment

Payments must be made in Australian Currency and cheque(s) must be drawn on an Australian Bank.

Complete cheque details as requested. Cheque(s) must be made payable to "Austpac Resources N.L." and crossed "not negotiable". Cheque(s) not properly drawn will be rejected. Cheques will generally be deposited on the day of receipt. If cheque(s) are dishonoured the application will be rejected.

Limitation on Participation

The maximum subscription limitation of \$15,000 will apply even if an Eligible Shareholder has received more than one Application Form (whether in respect of a joint holding or because the Eligible Shareholder has more than one holding under separate share accounts).

TERMS OF AUSTPAC RESOURCES N.L. SHAREHOLDERS SHARE PURCHASE PLAN

1 DEFINITIONS

In this Plan, unless the context otherwise indicates:

- 1.1 **ASX** means the Australian Stock Exchange Ltd;
- 1.2 **Board** means the board of Directors of the Company;
- 1.3 **Company** means Austpac Resources N.L. ABN 87 002 264 057
- 1.4 **Closing Date** has the meaning ascribed to it in clause 3.1;
- 1.5 **Eligible Shareholders** has the meaning ascribed to it in clause 2.1;
- 1.6 **Issue Date** means 30 October 2015;
- 1.7 **Listing Rules** means the official listing rules of the ASX (as amended from time to time);
- 1.8 **Offer means** a non-renounceable offer of up to \$15,000 worth of ordinary fully paid shares in the Company to Eligible Shareholders under the Plan;
- 1.9 **Plan** means Austpac Resources N.L. Shareholders' Share Purchase Plan approved by the Board;
- 1.10 **Record Date** means 24 September 2015;
- 1.11 **Shares means** new shares in the Company issued pursuant to the Plan; and
- 1.12 **Subscription Price** means the price per Shares subscribed for calculated in accordance with clause 4.2.

2 ELIGIBILITY TO PARTICIPATE

- 2.1 Those Shareholders of the Company that will be eligible to apply for Shares under the Plan ("**Eligible Shareholders**") must:
 - 2.1.1 be recorded in the Company's register of Shareholders at 5.00pm (Sydney time) on the Record Date; and
 - 2.1.2 have an address in a jurisdiction in which it is lawful and practical for the Company to issue the Shares (in the reasonable opinion of the Board).
- 2.2 The Offer does **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.
- 2.3 Offers made under the Plan are non-renounceable. This means that Eligible Shareholders cannot transfer their right to purchase Shares under this Offer to another person.

3 TERMS OF ISSUE

- 3.1 The Offer shall open at 9.00am on 25 September 2015 until, subject to the discretion of the Board, 5.00pm on 30 October 2015. The Board reserves the rights to close the Offer early, or to otherwise vary the Opening Date or Closing Date, without further notice.
- 3.2 The maximum number of shares that will be issued by the Company under the Plan is 700,000,000 ordinary shares.
In the event that the Company receives subscriptions totalling more than 700,000,000 ordinary shares the Company intends to scale back the applications to total the maximum number of shares.
- 3.3 The Board reserves the right to reject any application for Shares, including (without limitation) if an Application Form is not correctly completed or the Shareholder is not an Eligible Shareholder in the Board's opinion. In such circumstances, no Shares will be issued to the relevant applicant(s), and any application monies paid will be refunded to the relevant applicant(s) without interest.
- 3.4 The Company intends to issue the Shares under the Plan by the Issue Date. The Company reserves the right to vary the Issue Date without further notice in the event that the Closing Date is varied pursuant to clause 3.1.
- 3.5 The Company intends to apply for listing of the Shares issued pursuant to the Plan on the ASX.

4 PAYMENT FOR SHARES

- 4.1 The Eligible Shareholders may apply for a minimum of ONE THOUSAND DOLLARS (\$1,000) and up to a maximum of FIFTEEN THOUSAND DOLLARS (\$15,000) worth of Shares under the Plan, at the Subscription Price per Share calculated in accordance with clause 4.2.
- 4.2 The Subscription Price is a fixed price of .006 cents per Share.
The Shareholder should be aware that the market price of the Company's shares may rise or fall between the date of this invitation to purchase shares and the date when the shares are allotted. This means the issue price that the Shareholder pays per share under the Plan may be greater or lesser than the market price at the time of allotment. Accordingly, Shareholders should seek their own financial advice if they are in any doubt as to how to deal with this invitation under the Plan.
- 4.3 The number of shares to be issued to each applicant will be calculated by dividing the amount subscribed and accepted by the Company by the Subscription Price. Fractions will be rounded up to the nearest whole share.
- 4.4 The Shares are a speculative investment and the market price of the Shares may change between the Calculation Period and the Issue Date.
- 4.5 No brokerage or other transaction costs will apply to Eligible Shareholders for any purchases under the Plan.
- 4.6 A 2.0% handling fee will be payable to any participating organisation of the ASX whose stamp appears on the Application Form, where payment is made by cheque, and where the application for a broker sponsored client is initiated through CHESS by a broker participant on behalf of their client.
- 4.7 Payment must be received by the Company no later than 5.00pm on the Closing Date.

5 GENERAL

- 5.1 The Board has an absolute discretion to determine the appropriate procedures for administration of the Plan.
- 5.2 The Board may change or terminate the Plan at any time. In the event that the Board does so, it will advise the ASX. Any omission to give notice of changes to, or termination of, the Plan, or the non-receipt of any such notice, will not invalidate the change or termination.
- 5.3 In addition to any rights of the Board to reject applications set out in these Terms, the Board also reserves the right to allocate fewer Shares than an Eligible Shareholder applies for, or no Shares to an Eligible Shareholder, if the Board believes that the allotment of those Shares would contravene any of the Listing Rules. In any such case, any application moneys paid will be refunded to the relevant applicant(s) without interest.
- 5.4 These Terms are governed by the laws for the time being in force in the State of NSW.