

13 December 2016

Dear Shareholder

Circular and Notice of Meeting

Please accept this letter as notification that the Company have issued a Circular and a Notice convening a General Meeting and these have now been published on the Company's website at www.xtractresources.com in the Investor Relations- Financial Reports section. To access this document you will need to have Adobe Acrobat Reader XI installed.

The General Meeting will be held at 12.00 noon on 30 December 2016 at the offices of Fladgate LLP at 16 Great Queen Street, London WC2B 5DG. We enclose a form of proxy for this meeting. Any vote by proxy should be received at least 48 hours before the time of the relevant meeting.

Voting by proxy prior to the meetings does not affect your right to attend the meeting and vote in person should you so wish.

We would like to take this opportunity to thank you for having consented to receive the circular via the Company's website rather than in hard copy form, as this will contribute to cost savings for the Company and will minimise unnecessary paper usage.

If you require assistance in relation to your holding of shares, please contact the Shareholder helpline on 0871 664 0300. Calls cost 12p per minute plus your phone company's access charge. If you are outside the United Kingdom, please call +44 371 664 0300. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 am – 5.30 pm, Monday to Friday excluding public holidays in England and Wales.

Yours faithfully

For and on behalf of

Lion Mining Finance Limited

Company Secretary