



5 September 2008

Dear Shareholder,

NON-RENOUNCEABLE ENTITLEMENT ISSUE

Richmond Mining Limited (**Company**) has announced to ASX Limited (**ASX**) a non-renounceable entitlement issue on the basis of one (1) Option for every two (2) Shares held by Shareholders registered at 5.00pm (WST) on 12 September 2008 at an issue price of \$0.01 per Option to raise approximately \$153,600 (**Entitlement Issue**).

The Entitlement Issue will result in the issue of approximately 15,360,001 new options in the Company. These options will be exercisable at \$0.20 on or before 31 December 2010.

The Prospectus relating to this issue has been lodged with the Australian Securities and Investments Commission and ASX and is available on the ASX website at www.asx.com.au for inspection. The timetable and important dates of the issue are set out below:

Lodgement of Prospectus with ASIC and ASX	4 September 2008
Notice sent to Shareholders	5 September 2008
Ex Date	8 September 2008
Record Date for determining entitlements to Options	12 September 2008
Prospectus despatched to Shareholders	18 September 2008
Closing Date of Offer	2 October 2008
Securities quoted on a deferred settlement basis	7 October 2008
Despatch of holding statements	13 October 2008

The issue is in accordance with the Initial Public Offer Prospectus dated 4 April 2008. In that Prospectus the Company stated that all Shareholders registered at a date approximately 3 months after the Company's Shares are quoted on the ASX will be entitled to participate in a non-renounceable entitlement issue of Options.

The funds raised from the issue of these Options will be allocated towards the continued exploration of the Company's assets in Australia and to working capital.

The capital structure of the Company on completion of the issue will be as follows:

Shares

	Number
Shares currently on issue	30,720,002
Shares offered pursuant to the Offer	-
Total Shares on issue	30,720,002

Options

	Number
Options currently on issue:	7,250,000
Options offered pursuant to the Offer	15,360,001
Total Options on Issue	22,610,001

In calculating entitlements under the Entitlement Issue, fractions will be rounded up to the nearest whole number.

The offer under the Prospectus is made to Shareholders with registered addresses in Australia and New Zealand. Overseas shareholders should contact the Company Secretary with any queries.

Full details of the issue will be contained in the Prospectus that will be mailed to all shareholders who are registered on the record date. Shareholders eligible to participate should read the Prospectus carefully.

Yours Sincerely,

Howard Dawson
Chairman