

13 March 2013



Dear Shareholder

PRO-RATA NON-RENOUCEABLE RIGHTS ISSUE

We are writing to you as a registered holder of shares in Vector Resources Limited (**Company**).

As announced to ASX on 11 March 2013, the Company is undertaking a pro rata non-renounceable offer of ordinary fully paid shares to eligible shareholders. The offer is on the basis of one (1) new share (**New Share**) for every two (2) shares held by eligible shareholders of the Company as at 7.00pm AEDT on 20 March 2013 (**Record Date**) at an issue price of \$0.03 per Share, to raise approximately \$3,851,045 (**Offer**).

The Company is making the Offer available to eligible shareholders, being persons who are registered as shareholders of the Company on the Record Date and have a registered address in Australia or New Zealand. In calculating entitlements under the Offer, fractions will be rounded down to the nearest whole number.

Eligible shareholders will be entitled to apply for New Shares not otherwise taken up in the Offer at the same price of \$0.03 per New Share (**Shortfall Shares**). The directors reserve the right, subject to any restrictions imposed by the Corporations Act 2001 (Cth) or the ASX Listing Rules, to issue the Shortfall Shares at their discretion.

An Offer Document in relation to the Offer has been lodged with ASX setting out the timetable for the Offer, as shown below. A copy of the Offer Document is available on the ASX website at www.asx.com.au (ASX code: VEC) and on the Company's website at www.vectorresources.com.au.

Use of Proceeds

Proceeds from the Rights Issue will be applied towards the ongoing review, evaluation and exploration programs on existing projects, additional working capital and the costs of the Offer. The cash costs of the Offer will be approximately \$75,000 (assuming full subscription).

Capital Structure

The capital structure of the Company following completion of the Offer is summarised below:

Shares	Number
Shares on issue at date of the Offer	256,736,371
New Shares offered under the Offer ²	128,368,185
Total Shares on issue at completion of the Offer¹	385,104,556

Options	Number
Options currently on issue at date of the Offer	162,107,260
Listed Options exercisable at \$0.25 on or before 30 January 2015	150,107,260
Unlisted Options exercisable at \$0.20 on or before 20 December 2014	8,000,000
Unlisted Options exercisable at \$0.40 on or before 20 December 2015	4,000,000
Options offered under the Offer	Nil
Total Options on issue at completion of the Offer	162,107,260

Notes:

1. The number of Shares on issue assumes that no Options currently on issue are exercised prior to the Record Date.
2. The number of New Shares issued assumes that the Offer is fully subscribed and that no Options currently on issue are exercised prior to the Record Date.

Timetable

The Offer is proposed to be conducted according to the following timetable:

Event	Date
Release of Offer Document, Appendix 3B & Section 708AA Notice to ASX	11 March 2013
Notice sent to Shareholders	13 March 2013
“Ex” Date (date from which Shares commence trading without the entitlement to participate in the Offer)	14 March 2013
Record Date 7.00pm (AEDT) (date for determining Entitlements of Eligible Shareholders to participate in the Offer)	20 March 2013
Offer Document dispatched to Eligible Shareholders	26 March 2013
Offer Opening Date	26 March 2013
Offer Closing Date 5.00pm (AEST)	11 April 2013
ASX notified of under subscriptions	16 April 2013
Allotment date	19 April 2013
Dispatch of Holding Statements	19 April 2013

Note: Subject to the Listing Rules and other applicable laws, the Directors reserve the right to vary these dates.

As soon as practicable following the Record Date, the Company will dispatch an Offer Document together with a personalised Entitlement and Acceptance Form to eligible shareholders. If you are eligible and wish to participate in the Offer, you will need to complete this personalised Entitlement and Acceptance Form and return it with the appropriate application monies to the Company's share registry before 5.00pm (AEST) on the anticipated closing date of 11 April 2013.

The Offer Document includes details of the Offer and the risks associated with investing in the Company. It is recommended that you read the Offer Document carefully and, if you are interested in participating in the Offer, seek independent professional advice.

Neville Bassett
Company Secretary