

13 November 2013

Dear Shareholder,

Re: PLATINUM CAPITAL LIMITED PLACEMENT AND RIGHTS OFFER

On Monday, 11 November 2013, Platinum Capital Limited (**PMC** or **the Company**) announced the successful placement (**Placement**) of approximately 25 million shares and the launch of a 1:5 pro-rata non-renounceable rights offer (**Rights Offer**). **The Placement was strongly supported and closed over-subscribed.**

In association with the Placement, the Directors are also pleased to provide this advance notice to Eligible Shareholders for the opportunity to participate in a Rights Offer, and recommend it to you as an opportunity to participate further in the Company's future and to increase your exposure to international equities.

The Company's Directors unanimously support the Rights Offer and all Directors that hold PMC shares intend to take up their full pro-rata Entitlement.

The new shares offered pursuant to the Rights Offer will be at the same price as those offered under the Placement, being the 31 October 2013 pre-tax Net Asset Value (**NAV**) of \$1.55 per share. This represents a 8.6% discount from the 7 November 2013 closing share price of \$1.695. If fully subscribed, the Placement and Rights Offer will raise gross proceeds of approximately \$98.3 million.

Since the previous PMC rights offer in 2008, investors have benefited from a re-invested return of 95% point-to-point, equating to 14% compound per annum (based on share price and dividends). The benchmark MSCI (Morgan Stanley Capital Accumulation World Index) provided a return of 43% and 7% per annum respectively.

Placement

The recent Placement involved an allocation of approximately 25 million new shares to sophisticated and professional investors. Investors that participated in the Placement will be eligible to participate in the Rights Offer.

Rights Offer

The Rights Offer involves the issue of up to 38.4 million new shares. If you are an Eligible Shareholder, you will be able to subscribe for one (1) New Share for every five (5) existing PMC shares held on the Record Date of 7:00pm Australian Eastern Standard Daylight Savings Time (**AEDST**) on 20 November 2013 (**Record Date**). New Shares issued under the Rights Offer will rank equally with existing PMC shares in all respects. Fractional entitlements will be rounded up to the nearest whole number of shares.

If you are eligible to participate in the Rights Offer, you may also subscribe for New Shares in excess of your pro-rata entitlement under the Rights Offer, which may be satisfied out of any shortfall from the Rights Offer under a top-up facility (**Top-up Facility**). Further, the Company intends to offer any shares, which have not been subscribed for under the Rights Offer and Top-Up Facility to sophisticated and professional investors under a shortfall facility (**Shortfall Facility**). PMC has appointed CBA Equities Limited (**CBA Equities**) as Sole Lead Manager to the Placement and Rights Offer, along with Bell Potter Limited (**Bell Potter**) and Morgans Limited (**Morgans**) as co-managers to handle applications under the Shortfall Facility.

Who is Eligible to Participate in the Rights 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.

The Rights Offer is open for acceptance by Eligible Shareholders from 27 November 2013 until 5pm (AEDST) on 11 December 2013, subject to a variation of the timetable by the Company in accordance with the ASX Listing Rules and the *Corporations Act 2001* (Cth).

Rights Offer Document

This letter is not an offer document, but rather an advance notice of some key terms and conditions of the Rights Offer. Full details of the Rights Offer are set out in the Offer Document that will be mailed to Eligible Shareholders on or around 26 November 2013, together with a personalised Entitlement and Acceptance Form.

Shareholders may view all of the Company's ASX releases relating to the Rights Offer on the ASX website www.asx.com.au (ASX code: PMC) and information on the Company (including all ASX releases) on the Company's website at www.platinum.com.au/Our-Funds/Platinum-Capital-Limited/.

Copies of the actual Offer Document will also be available for download on PMC's Company Announcements page of the ASX website from the morning of Tuesday, 26 November 2013.

Purpose of the Offer

The primary purpose of the Rights Offer is to provide PMC with additional capital to add to its existing investment portfolio. This will enable PMC to take advantage of a number of very interesting global investment opportunities.

The PMC Directors believe that a larger corpus will enhance the Company's standing with a broader shareholder base and improve trading liquidity.

Action required by Eligible Shareholders

It is important that you determine whether to (in whole or in part) take up the Rights Offer or do nothing.

If you choose to take up all or part of your Entitlement

If you choose to take up all or part of your Entitlement, you will need to complete and return the personalised Entitlement and Acceptance Form together with the requisite application monies, or alternatively pay your application monies using BPAY®. Application monies must be received by PMC's Share Registry, Computershare Investor Services Pty Limited (**Computershare**), by 5:00pm (AEDST) on **Wednesday, 11 December 2013**. Eligible Shareholders may apply for more shares than their pro-rata entitlements via the Top-Up Facility. The application for shares under the Top-Up Facility needs to be made at the same time you take up your Entitlement, using the Entitlement and Acceptance Form.

If you choose to do nothing

If you choose to do nothing by taking no action in respect of your Entitlement by the closing date of the Rights Offer, then your Entitlement will lapse and will you not be allocated any New Shares. As the Rights Offer is non-renounceable, Entitlements cannot be traded on the ASX. Your Entitlement will be allocated to other Eligible Shareholders via the Top-Up Facility or be allocated by the Sole Lead Manager and Co-Managers under the Shortfall Facility.

Timetable

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

Event	Date
Announcement of Rights Offer	11 November 2013
Lodgment of documents associated with the Rights Offer Lodgment of Appendix 3B and Cleansing Notice with ASX.	11 November 2013
Rights Offer Ex-Date Shares quoted on 'ex basis' on ASX.	14 November 2013
Issue of Shares under the Placement Issue date for New Shares allotted under the Placement and New Shares commence trading on ASX on a normal settlement basis.	18 November 2013
Rights Offer Record Date The date for determining entitlements of Eligible Shareholders to participate in the Rights Offer.	7:00pm (AEDST) on 20 November 2013
Despatch of Offer Document to Eligible Shareholders Despatch of Offer Document and Entitlement and Acceptance Form.	26 November 2013
Rights Offer Opening Date The first day for receipt of acceptances under the Rights Offer including applications under the Top-Up Facility.	27 November 2013
Rights Offer Closing Date The last day for receipt of Acceptances including last day to apply under the Top-Up Facility.	5:00pm (AEDST) on 11 December 2013
Deferred Settlement Trading New Shares issued under the Rights Offer expected to commence quotation on ASX on a deferred settlement basis.	12 December 2013
Rights Offer Shortfall Date Allocation of shares under the Top-Up Facility allocated and announcement made to ASX. Announcement made to ASX of any shortfall under the Rights Offer after take up under the Top-Up Facility.	16 December 2013
Issue of Shares under the Rights Offer Issue date for New Shares allotted under the Rights Offer (including shares under the Shortfall Facility) and New Shares commence trading on ASX on a normal settlement basis.	19 December 2013
Normal Trading New Shares issued under the Rights Offer expected to commence quotation on ASX on a normal T + 3 basis.	20 December 2013

All of the dates in the timetable are indicative only and may be subject to change. The Company reserves the right to amend this timetable including, subject to the *Corporations Act (2001)* and the ASX Listing Rules, to extend the closing date.

Full details of the Rights Offer will be contained in the Offer Document that will be mailed to all Eligible Shareholders who are registered on the Record Date. Shareholders who are eligible to participate should read the Offer Document carefully.

If you have any questions in relation to the Rights Offer, please do not hesitate to contact Computershare on 1300 394 840 (within Australia) or +61 3 9415 4256 (outside Australia).

Yours faithfully,

A handwritten signature in black ink, appearing to read 'B Phillips', with a small flourish at the end.

B Phillips
Chairman