15 September 2014

Dear Shareholder

INVITATION TO PARTICIPATE IN SHARE PURCHASE PLAN

This SPP document proposes a share purchase plan for eligible shareholders to raise up to AUD$1,000,000 in accordance with the ASX announcement of 3 September 2014.

Buxton Resources Limited ("BUX" or the "Company") is now pleased to offer you the opportunity to subscribe for new ordinary shares ("New Shares") in BUX through the Share Purchase Plan ("Plan"). Under the Plan you may apply to buy **New Shares up to a value of $15,000**, without brokerage or other transaction costs, at an issue price of $0.20 per Share.

Issue price of New Shares under the Plan

The Plan provides the opportunity to increase your shareholding in BUX at an issue price of $0.20 per share which represents a 18.8% discount to the volume weighted average price of BUX shares traded on ASX over the last 5 trading days on which sales were recorded prior to the date of the announcement of the Plan on 3 September 2014.

Shareholders Eligible to Participate in the Plan

Participation in the Plan is voluntary and open to all BUX shareholders who as at 5.00pm (WST) on the Record Date of 2 September 2014 were registered holders of fully paid ordinary shares in the Company with a registered address in Australia or New Zealand.

How much can I invest?

Eligible Shareholders may participate in the Plan by applying to purchase one of the following parcels of New Shares.

	Total Amount payable at AUD $0.20 per Share	**No of New Shares**
Offer A	$15,000	75,000
Offer B	$10,000	50,000
Offer C	$7,500	37,500
Offer D	$5,000	25,000
Offer E	$2,500	12,500

How to apply

The offer for New Shares under the Plan is made in accordance with the enclosed SPP Terms and Conditions.

The Application Form allows you to apply for New Shares offered under this Plan.

Once an application has been made it cannot be revoked. Your application and payment must be received before the closing date of **5 pm (WST) on 26 September 2014.**

The maximum investment you may apply for is AUD$15,000, irrespective of the number of BUX shares you currently hold. This limitation applies even if you receive more than one Application Form, or if you hold BUX shares in more

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Subiaco WA 6008

Suite 1, First Floor
14-16 Rowland Street
Subiaco WA 6008

Tel: 08-9380 6063
Fax: 08-9381 4056

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info@buxtonresources.com.au

The maximum investment you may apply for is AUD$15,000, irrespective of the number of BUX shares you currently hold. This limitation applies even if you receive more than one Application Form, or if you hold BUX shares in more than one capacity (whether in respect of a joint holding or because you have more than one holding under separate accounts).

The maximum number of New Shares that the Company will issue under the Plan is 5,000,000 shares, which represents approximately 8% of the BUX shares currently on issue to raise $1,000,000. If subscriptions received by the Company exceed this maximum amount, the Company reserves the right, in its absolute discretion, to scale back applications.

If there is a scale-back or if you do not tender the exact application money with your application, BUX reserves the right to either:

i. Return your Application Form and/or payment and not allot any New Shares to you; or

ii. Allot to you the number of New Shares that would have been allotted had you applied for the highest designated amount that is less than the amount of your payment and refund the excess application money to you by cheque as soon as possible, without interest.

Current Projects

Details of the Company's current activities are set out in the announcements made by BUX to the ASX and are available from the ASX, or BUX's website at www. http://www.buxtonresources.com.au

Use of funds raised

The funds raised under the SPP are to be used to fund the development of Buxton's exploration projects, as well as costs of the raising and working capital requirements.

Price Risk

On the last day on which Shares traded prior to the lodgement of this Plan on ASX, the closing price of the Shares traded on the ASX was $[*]. If you apply to participate in the Plan, you should be aware, and accept the risk, that the market price of the Shares in the Company may rise and fall between the date of the SPP offer and the date when any New Shares are issued to you under the Plan. As such, it is possible that, up to or after the date you receive New Shares under the Plan, you may be able to buy BUX Shares on the ASX at a lower price than under the this Plan.

The Board recommends that you obtain your own financial advice in respect of the SPP Offer and consider price movements of Shares in the Company prior to making an application under this Plan.

Not Underwritten

The SPP offer is not underwritten. The SPP offer is non-renounceable, which means that you cannot transfer your right to participate in the Plan to anyone else. Application for quotation on the ASX will be made immediately following the issue of the New Shares.

Shortfall

In the event that less than 5,000,000 Shares are applied for, the shortfall may be placed at the discretion of the directors. The Company reserves the right to pay a commercial fee to Australian Financial Services Licences upon any shortfall placement. The Chairman of Directors, Mr Seamus Cornelius has made commitments to the Company (subject to shareholder approval) to take up to 250,000 Shares in the event of shortfall.

Indicative timetable

Record Date for SPP	2 September 2014
SPP Offer documents lodged on ASX	15 September 2014
Closing Date of SPP Offer	26 September 2014
Issue of New Shares	3 October 2014
Quotation of New Shares	3 October 2014
Dispatch of Holding Statements	6 October 2014

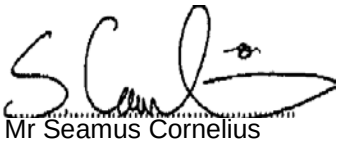
These dates are indicative only. The Company may vary the dates under the Plan (including extending the closing date) without notice. Eligible shareholders are encouraged to submit their Application Forms as early as possible.

If you wish to participate in the Plan, you should carefully read the enclosed Plan Terms and Conditions, and follow the instructions on the Application Form.

If you have any questions in relation to the Plan, the Prospectus or the Application Form, please contact BUX's share registry, Computershare Investor Services Pty Limited on 1300 722 909.

On behalf of the Board, I thank you for your ongoing support of the Company.

Yours sincerely



Mr Seamus Cornelius
Chairman of the Board

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14-16 Rowland Street
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BUXTON RESOURCESTON RESOURCES LIMITED
ACN 125 049 550

TERMS AND CONDITIONS - SHARE PURCHASE PLAN OFFER

The purpose of the Share Purchase Plan ("Plan") is to offer eligible shareholders of Buxton Resources Limited (the "Company" or "BUX") the opportunity to acquire new fully paid ordinary shares in BUX ("New Shares"), in accordance with these Terms and Conditions. Participation in the Plan is optional.

Please carefully read these Terms and Conditions before deciding whether to participate in the Plan.

1. SPP OFFER CLOSING DATE

The SPP Offer closes at **5.00pm (WST) on 26 September 2014** ("Closing Date"). No late applications will be accepted. Subject to compliance with the ASX Listing Rules, the Company reserves the right to close the offer early or change any of the dates in its absolute discretion. Any such changes will be notified to ASX.

2. SHAREHOLDERS ELIGIBLE TO PARTICIPATE

Eligible shareholders

You are eligible to participate in the Plan and apply for New Shares if:

- your registered address recorded in the BUX register of members is in Australia or New Zealand; and
- you were registered as a holder of fully paid ordinary shares in BUX as at 5.00pm (WST) on 2 September 2014.

The SPP Offer to each eligible shareholder is made on the same terms and conditions. The SPP Offer is non-renounceable which means that you may not transfer your right to apply for New Shares to anyone else.

Single holders

If you are the only registered holder of a parcel of BUX shares, but you received more than one Application Form (for example, if you have multiple individual holdings), you may only apply for one parcel of New Shares up to the Maximum.

Joint Holders

If you are registered with one or more persons as the joint holder of a parcel of BUX shares, that joint holding is considered to be a single holding. If the same joint holders receive more than one Application Form under the Plan (for example, if the joint holders have multiple joint or single holdings), the joint holders may only apply for one parcel of New Shares up to the Maximum.

Custodians, trustees and nominees

If you are an eligible shareholder and hold the BUX shares as a custodian (as defined in ASIC Class Order CO 09/425) (refer below) ("Custodian") you may apply for up to the Maximum of New Shares for each beneficiary for whom you act as Custodian provided you annex to your Application Form a certificate to BUX ("Custodian Certificate") with the following information:

(a) either or both of the following:

(i) that you held fully paid ordinary shares in BUX on behalf of one or more other persons (each a "Participating Beneficiary") that are not Custodians;

(ii) that another Custodian ("Downstream Custodian") holds beneficial interests in BUX Shares on behalf of a Participating Beneficiary, and the Custodian holds the BUX Shares to which those beneficial interests relate on behalf of the Downstream Custodian or another Custodian,

at 5.00pm (WST) on 2 September 2014 and that each Participating Beneficiary has subsequently instructed the following persons:

(iii) where sub-paragraph (a)(i) applies – the Custodian; and

(iv) where sub-paragraph (a)(ii) applies – the Downstream Custodian,

to apply for New Shares under the Plan on their behalf;

(b) the number of Participating Beneficiaries and their names and addresses;

(c) in respect of each Participating Beneficiary:

(i) where sub-paragraph (a)(i) applies – the number of BUX Shares that the Custodian holds on their behalf; and

(ii) where sub-paragraph (a)(ii) applies – the number of BUX Shares to which the beneficial interests relate;

(d) in respect of each Participating Beneficiary:

(i) where sub-paragraph (a)(i) applies – the number or dollar amount of New Shares they have instructed the Custodian to apply for on their behalf;

(ii) where sub-paragraph (a)(ii) applies – the number or dollar amount of New Shares they have instructed the Downstream Custodian to apply for on their behalf;

(e) there are no Participating Beneficiaries in respect of which the total of the application price for the following exceeds $15,000:

(i) the New Shares applied for by the Custodian under the Plan in accordance with the instructions referred to in subparagraph (d); and

(ii) any other New Shares issued to the Custodian in the 12 months before the application as a result of an instruction given by them to the Custodian or the Downstream Custodian to apply for New Shares on their behalf under an arrangement similar to the Plan;

(f) that a copy of the written Plan was given to each Participating Beneficiary; and

(g) where subparagraph (a)(ii) applies – the names and address of each Custodian who holds beneficial interests in the BUX Shares held by the Custodian in relation to each Participating Beneficiary.

For the purposes of ASIC Class Order CO 09/425 you are a "custodian" if you are a registered holder that:

- holds an Australian financial services license that allows you to perform custodian or depositary services or operates IDPS accounts;
- is exempt from holding an Australian financial services license by virtue of Class Order CO 03/184 or by relying on the Australian financial services license of your master custodian under para 7.1.06(k) of the Corporations Regulations 2001;
- is a trustee of a self-managed superannuation fund or a superannuation master trust;
- is a responsible entity of an IDPS-like scheme; or
- is noted on the company's register of members as holding these shares on account of another person.

If you hold BUX shares as a trustee or nominee for another person or persons but are not a Custodian as defined above, you cannot participate for beneficiaries in the manner described above. In this case, the rules for multiple single holdings (above) apply.

Custodians should request a Custodian Certificate when making an application on behalf of Participating Beneficiaries. To request a Custodian Certificate and if you would like further information on how to apply, you should contact the share registry.

Each Custodian must not distribute any documents relating to this Plan to any person overseas and must not submit an Application Form for New Shares for any person on whose account or benefit it acts that is not an eligible shareholder.

3. ISSUE PRICE

The price of BUX shares to be issued under the Plan is $0.20 per New Share, which represents a 18.8% discount to the volume weighted average price of BUX shares traded on ASX over the last 5 trading days on which sales were recorded prior to the date of the announcement of the Plan on 3 September 2014.

4. ISSUE OF NEW SHARES

The New Shares will be issued as soon as reasonably practicable after the Closing Date. The New Shares will rank equally in all respects with all other fully paid ordinary shares in BUX. Shareholding statements or CHESS notifications will be issued for all New Shares. BUX will apply for the New Shares allotted under the Plan to be quoted on ASX.

5. HOW MUCH CAN I INVEST?

If you are an eligible shareholder, you can subscribe for New Shares under this SPP Offer by choosing one of the following options on the Application Form:

	Total Amount payable at AUD $0.20 per Share	**No of New Shares**
Offer A	$15,000	75,000
Offer B	$10,000	50,000
Offer C	$7,500	37,500
Offer D	$5,000	25,000
Offer E	$2,500	12,500

6. LODGING THE APPLICATION FORM AND PAYMENT

The Application Form allows you to apply for New Shares offered under this SPP. Please follow the instructions on the Application Form and return it to:

Buxton Resources Limited
c/- Computershare Investor Services Pty Limited
GPO Box 505
MELBOURNE VIC 3001

You must ensure that your Application Form and payment is received by 5.00pm (WST) on 26 September 2014.

You can apply through one of the following methods:

Option 1 – payment by cheque or money order

Complete the Application Form and return it to the Company, together with your payment. Your payment must be by cheque or money order in Australian dollars made payable to Buxton Resources Limited.

Option 2 - BPAY

Complete the Application Form and return it to the Company. You can make the payment using BPAY payment option as set out on the Application Form.
If you choose to pay by BPAY you will be taken to make the statements contained in the Application Form and in these Terms and Conditions. A Customer Reference Number and Biller Code are provided on your personalised Application Form.

By using the BPAY facility to apply for New Shares, you represent that the total of the application price for the following does not exceed A$15,000:

- the New Shares the subject of your application;
- any other New Shares or BUX Shares issued under any similar arrangement in the 12 months before the date of your application;
- any other New Shares which you have instructed a custodian to acquire on your behalf under the Plan;
- any other BUX Shares issued to a custodian under an arrangement similar to the Plan in the 12 months before the date of your application as a result of any instruction given by you to the custodian or another custodian and which resulted in you holding beneficial interests in such Shares.

You should check with your bank or financial institution how long it will take for the funds to be transferred to the BUX application account, to make sure your payment will be received before the Closing Date. Your financial institution may also have set a daily limit on the amount that you can pay by BPAY. It is your responsibility to ensure that the amount you wish to pay via BPAY does not exceed your limit. You must ensure that the amount you wish to pay for New Shares under the Offer is received by the Share Registry prior to the Closing Date.

If you have multiple holdings you will have multiple BPAY reference numbers. To ensure you receive your New Shares in respect of that holding, you must use the specific biller code and the customer reference number shown on each personalised Application Form when paying for any New Shares that you wish to apply for in respect of that holding. If you inadvertently use the same Customer Reference Number for more than one of your applications, you will be deemed to have applied only for the application to which that Customer Reference Number applies and any excess amount will be refunded.

If you do not tender the exact application money with your application, BUX reserves the right to either:

- Return your Application Form and/or payment and not allot any New Shares to you; or
- Allot to you the number of New Shares that would have been allotted had you applied for the highest designated amount that is less than the amount of your payment and refund the excess application money to you by cheque as soon as possible, without interest.

7. SCALEBACK

BUX reserves the right, at its absolute discretion, to scale back applications to the extent and manner it sees fit. BUX's decision on scaling back will be final. In the event of a scale back, the difference between application monies received and the number of securities allocated multiplied by the Issue Price will be returned by cheque as soon as practicable, without interest.

Any scale-back of applications for New Shares made by Custodians will be applied at the level of each Participating Beneficiary.

8. ALLOTMENT OF NEW SHARES

The New Shares will be allotted on 3 October 2014 or as soon as possible after that date. A holding statement will be sent to you in due course. BUX may allot fewer new Shares than you apply for (or none at all), if any of the following apply:

- BUX considers (in its reasonable opinion) that issuing New Shares to you under the Plan would breach any law or ASX Listing Rules;

- BUX considers (in its reasonable opinion) that by issuing New Shares to you under the Plan you may exceed the maximum, or receive an aggregate of more than $15,000 of shares under the Plan or any other arrangement similar to the Plan in the past 12 months up to the Closing Date (except to the extent that the person is issued with New Shares as a Custodian under a custodian offer);

- you are a Custodian and you have not complied with the requirements of clause 2;

- BUX undertakes a scale back in accordance with clause 7;

- BUX considers (in its reasonable opinion) that you have not complied with these Terms.

It is your responsibility to confirm your holding before trading in any New Shares you believe have been issued under the Plan. Any shareholder that sells New Shares before receiving confirmation of their holding in the form of their holding statement will do so at their own risk. BUX and the Share Registry disclaim all liability whether in negligence or otherwise (and to the maximum extent permitted by law) to persons who trade their New Shares before receiving their holding statements, whether on the basis of confirmation of the allocation provided by BUX or the Share Registry.

9. OTHER INFORMATION

Price risk

Before deciding whether to accept the SPP Offer, you should refer to the current market price of BUX shares. The market price of BUX shares may rise or fall between the Closing Date and the date on which the New Shares are issued under the Plan. This means that the price you pay per New Share may be greater or less than the price BUX shares are trading at on ASX at the time the New Shares are issued.

General Risks

You should consider the information BUX has previously announced to the ASX about the risks of making an investment in BUX.

This document is not a prospectus, and has not been lodged with ASIC. The issue of a prospectus is not required for the purposes of the SPP. This document does not contain the types of disclosure required to be contained in a prospectus. You must rely on your own knowledge of the Company, previous disclosures made by the Company to the ASX and, if necessary, consult your professional adviser when deciding whether or not to participate in the SPP.

Modification or termination of the Plan

BUX may modify or terminate the Plan at any time. BUX will advise ASX if any modifications or termination of the Plan is to be made. The omission to give notice of any modifications to, or termination of the Plan, or the failure of ASX to receive such notice will not invalidate the modification or termination.

Dispute Resolution

BUX may settle any dispute in relation to the Plan in any manner it thinks fit, whether generally or in relation to any participant, application or New Shares. The decision of BUX in this respect will be conclusive and binding.

BUX's rights

BUX reserves the right to waive strict compliance with any provision of these Terms. The powers of BUX under these Terms may be exercised by the directors of BUX or any delegate of them. BUX may refuse to accept or may suspend or withdraw any application if that application might prejudice the effective operation of the Plan or give rise to breaches of applicable laws by BUX or its officers.

BUX may reject any application if it has reason to believe that the eligible shareholder making the application may not be acting in good faith. BUX is entitled to refuse an application where an eligible shareholder has, in the opinion of BUX, split a shareholding, or acquired New Shares as part of a split shareholding, in order to attempt to increase the number of New Shares that may be allotted under the Plan to that eligible shareholder or another person.

BUXTON RESOURCES

Buxton Resources Limited
ABN 86 125 049 550

For all enquiries:

Phone:
(within Australia) 08 9386 4787
(outside Australia) +61 8 9386 4787

Web:
www.buxtonresources.com.au

Email:
sam@buxtonresources.com.au

Make your payment:

See overleaf for details of the Offer and how to make your payment

⊢ 000001 000 BUX
MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Share Purchase Plan Application Form

Your payment must be received by 5.00pm (WST) on Friday, 26 September 2014

This is an important document that requires your immediate attention.
It can only be used in relation to the shareholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.
By making payment you agree to be bound by the Constitution of Buxton Resources Limited and that the submission of this payment constitutes an irrevocable offer by you to subscribe for Buxton Resources Limited shares on the terms of the Share Purchase Plan (Plan).
In addition, by submitting the payment you certify that the aggregate of the application price paid by you for:
• the New Shares the subject of the payment slip overleaf; and
• any other shares and interests in the class applied for by you under the Plan or any similar arrangement in the 12 months prior to the date of submission of the slip below does not exceed $15,000.

Buxton Resources Limited may make determinations in any manner it thinks fit, in relation to any difficulties which may arise in connection with the Plan whether generally or in relation to any participant or application.
Any determinations by Buxton Resources Limited will be conclusive and binding on all Eligible Shareholders and other persons to whom the determination relates. Buxton Resources Limited reserves the right to waive strict compliance with any provision of the terms and conditions of the Plan, to amend or vary those terms and conditions or to suspend or terminate the Plan at any time. Any such amendment, suspension or termination will be binding on all Eligible Shareholders even where Buxton Resources Limited does not notify you of that event.

Step 1: Registration Name

Please check the details provided and update your address via www.investorcentre.com if any of the details are incorrect.

If you have a CHESS sponsored holding, please contact your Controlling Participant to notify a change of address.

Step 2: Make Your Payment

Note that New Shares may be purchased in accordance with the parcels set out in the SPP document and detailed on the payment slip overleaf. Note that the amount chosen may be subject to scale back in accordance with the terms of the Plan.

Choose one of the payment methods shown below.
BPAY®: See overleaf. Do not return the payment slip with BPAY payment.

By Mail: Complete the reverse side of this payment slip and detach and return with your payment. Make your cheque or money order payable in Australian dollars to "**Buxton Resources Limited** ". The cheque must be drawn from an Australian bank. Cash is not accepted.

Payment will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques received may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s) to the payment slip. Receipts will not be forwarded. Funds cannot be debited directly from your account.

Entering your contact details is not compulsory, but will assist us if we need to contact you.

Buxton Resources Limited
Payment must be received by 5.00pm (WST) on Friday, 26 September 2014

® Registered to **BPAY** Pty Limited ABN 69 079 137 518

Turn over for details of the Offer ➔

Share Purchase Plan Application Form

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STEP 1 Registration Name & Offer Details

For your security keep your SRN/ HIN confidential.

Registration Name:
MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Entitlement No: 12345678

Offer Details:

Record date: **5.00pm (WST) on Tuesday, 2 September 2014**

Minimum value available to purchase: **$2,500**

Maximum value available to purchase: **$15,000**

STEP 2 Make Your Payment

BPAY

Biller Code: 237222
Ref No: 1234 5678 9123 4567 89

Contact your financial institution to make your payment from your cheque or savings account.

Pay by Mail:

Make your cheque or money order payable to "**Buxton Resources Limited** ".
Return your cheque or money order with the below payment slip to:
Computershare Investor Services Pty Limited
GPO BOX 505 Melbourne Victoria 3001 Australia

Lodgement of Acceptance

If you are applying for New Shares and your payment is being made by BPAY, you do not need to return the payment slip below. Your payment must be received by no later than 5.00pm (WST) on Friday, 26 September 2014. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. Neither Computershare Investor Services Pty Limited (CIS) nor Buxton Resources Limited accepts any responsibility for loss incurred through incorrectly completed BPAY payments. It is the responsibility of the applicant to ensure that funds submitted through BPAY are received by this time.

If you are paying by cheque or money order the payment slip below must be received by CIS by no later than 5.00pm (WST) on Friday, 26 September 2014. You should allow sufficient time for this to occur. A reply paid envelope is enclosed for shareholders in Australia. Other Eligible Shareholders will need to affix the appropriate postage. Return the payment slip below with cheque or money order attached. Neither CIS nor Buxton Resources Limited accepts any responsibility if you lodge the payment slip below at any other address or by any other means.

Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited (CIS), as registrar for the securities issuers (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at http://www.computershare.com/au.

Detach here

Purchase Details for Buxton Resources Limited (choose one option)

☐ $2,500 for 12,500 New Shares OR ☐ $5,000 for 25,000 New Shares OR ☐ $7,500 for 37,500 New Shares

☐ $10,000 for 50,000 New Shares OR ☐ $15,000 for 75,000 New Shares

Entitlement No: 12345678

MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Payment must be received by 5.00pm (WST) on Friday, 26 September 2014

Contact Details

Contact Name _____ **Daytime Telephone** _____

Cheque Details

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
				A$

12345678912345678 9+0000000001−3051+14