



AUSTRALIAN BAUXITE LIMITED
ASX: ABZ

ASX ANNOUNCEMENT
4 February 2014

**About Australian Bauxite Limited
ASX Code ABZ**

Australian Bauxite Limited (ABx) is well advanced to establish its first mine in Tasmania (ML 1961).

ABx holds the core of the newly discovered Eastern Australian Bauxite Province. Its 42 bauxite tenements in Queensland, NSW and Tasmania covering 6,534 km² were rigorously selected on 3 principles:

1. good quality bauxite;
2. proximity to infrastructure connected to export ports; and
3. free of socio-environmental constraints.

All tenements are 100% owned and free of obligations for processing and third-party royalties. ABx has already discovered many bauxite deposits and new discoveries are still being made as knowledge and expertise grows. ABx conducts vigorous reviews of the commercial viability of its projects and tenements, resulting in new acquisitions, but also reductions in area as exploration is conducted.

The company's bauxite is high quality and can be processed into alumina at low temperature - the type that is in short-supply globally.

On the mainland, ABx has declared Mineral Resources in Inverell, northern NSW, at its Taralga project in southern NSW; at Guyra and at the Binjour Plateau in central QLD confirming that ABx has discovered a significant bauxite deposit including some bauxite of outstandingly high quality.

In Tasmania, at Bald Hill, the Company's first bauxite mine is targeted for production in late 2014.

Australian Bauxite Limited aspires to identify large bauxite resources in the Eastern Australian Bauxite Province, which is emerging as one of the world's best bauxite provinces.

ABx has the potential to create significant bauxite developments in three states - Queensland, New South Wales and Tasmania. Its bauxite deposits are favourably located for direct shipping of bauxite to both local and export customers.

ABx endorses best practices on agricultural land, strives to leave land and environment better than we find it. We only operate where welcomed.

**Cleansing Statement issued in
accordance with ASIC Class Order
CO 09/425**

On 28 January 2014, Australian Bauxite Limited (ABx or Company) (ASX: ABZ) announced its intention to make a Share Purchase Plan (SPP or Plan) offering eligible holders of fully paid ordinary shares recorded on its share register at 5.00 pm (AEDT) on 24 January 2014 the opportunity to purchase new fully paid ordinary shares (New Shares) in the Company.

The Company gives notice that within 24 hours it will make offers to issue New Shares under the SPP without disclosure to investors under Part 6D.2 of the Corporations Act 2001 (Act).

This notice is being given under ASIC Class Order 09/425 - Share and interest purchase plans.

At the date of this notice, the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company and section 674 of the Act.

There is no information that is excluded information as at the date of this notice (in accordance with the requirements of subsections 708A(7) and (8) of the Act as if this notice were a notice under paragraph 708A(5)(e) of the Act).

A copy of the documents in connection with the SPP that are to be sent to shareholders of the Company within 24 hours is attached.

For further information please contact:

Investor Relations, Henry Kinstlinger
Australian Bauxite Limited
Telephone: +61 2 9251 7177

AUSTRALIAN BAUXITE LIMITED
ACN 139 494 885

Level 2 Hudson House 131 Macquarie Street Sydney NSW 2000
p: +61 2 9251 7177 f: +61 2 9251 7500

w: australianbauxite.com.au e: corporate@australianbauxite.com.au

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AUSTRALIAN BAUXITE LIMITED
ABN 14 139 494 885

SHARE PURCHASE PLAN

January 2014

This is an important document.

The Offer does not take into account the individual investment objectives, financial situation or particular needs of each Eligible Shareholder. Accordingly, before making a decision on whether or not to accept the Offer, you should consult your financial or other professional adviser.

If you have any questions in relation to the Offer or how to complete the Application Form, please call the Henry Kinstlinger – Company Secretary on +61 2 9251 7177 or email corporate@australianbauxite.com.au.

This document is not a prospectus or other disclosure document under the Corporations Act.

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AUSTRALIAN BAUXITE LIMITED

LETTER FROM THE CHAIRMAN

5 February 2014

Dear Fellow Shareholder,

AUSTRALIAN BAUXITE LIMITED SHARE PURCHASE PLAN OFFER

On behalf of the Board, I am pleased to offer you the opportunity to apply for up to \$15,000 New Shares in ABx under the Share Purchase Plan without brokerage or other related charges.

The Offer will open on 5 February 2014 and will remain open until 5.00 pm (AEDT) on 6 March 2014.

The Offer Price is 24.3 cents per New Share, which is the same price as the US\$500,000 Placement to AAM Alpha Funds PLC – Ausonio Fund completed on 28 January 2014 enabling existing shareholders an opportunity to invest at the same price.

Participation in the Offer is optional and is open to Eligible Shareholders who are holders of Shares in ABx at 5.00 pm (AEDT) on 24 January 2014 and whose registered address is in Australia or New Zealand.

The funds raised from the Placement and the Share Purchase Plan will be applied to toward the mining lease environmental bond at Bald Hill Tasmania, the site of ABx's first mine and will also progress the Company's trial mining, mine establishment and development programs in Tasmania and to provide working capital.

Development at Tasmaina will include further drilling at Fingal Rail and new drilling at the DL-130 high-grade deposit near Bell Bay.

Full details of the Offer and how to participate are contained in the terms and conditions of this document, which I encourage you to read and consider carefully.

If you have any questions in relation to the Offer or how to complete the Application Form, please call Henry Kinstlinger – Company Secretary on +61 2 9251 7177 or email corporate@australianbauxite.com.au, or consult your financial or other professional adviser.

Thank you for your continued support of ABx.

Yours sincerely

A handwritten signature in black ink, appearing to read 'John Dawkins'.

John Dawkins AO

Chairman

AUSTRALIAN BAUXITE LIMITED

ACN 139 494 885

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SUMMARY OF IMPORTANT DATES

Record Date	24 January 2014
Announcement of the Share Purchase Plan	28 January 2014
Offer Date	5 February 2014
Documents mailed to Eligible Shareholders	5 February 2014
Opening date for acceptances	5 February 2014
Closing date for acceptances	6 March 2014
Allotment and issue of New Shares	13 March 2014
Quotation of New Shares on ASX	13 March 2014
Dispatch of shareholder statements	17 March 2014

This timetable is indicative only and subject to change. The Company reserves the right to vary the above dates, subject to the ASX Listing Rules and the Corporations Act.

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IMPORTANT NOTICES

The Offer contained in this document is not a recommendation to purchase ABx shares. If you are in any doubt about the Offer, you should consult your financial or other professional adviser.

If you apply to participate in the Offer by making a BPAY payment or completing and returning the Application Form with a cheque or bank draft, you are accepting the risk that the market price of Shares may change between the date of the Offer and the allotment date. This means it is possible that, up to or after the allotment date, you may be able to buy Shares at a lower price than the Offer Price.

Participation in the Offer is not being offered, directly or indirectly, in the United States or to any person that is, or is acting for the account or benefit of, a US Person. This document and any related offering documents must not be mailed or otherwise transmitted or distributed in or into the United States or to any person that is, or is acting for the account or benefit of, a US Person.

ABx recommends that you monitor its announcements and the Share price, which can be found on its website at www.australianbauxite.com.au and on the ASX website at www.asx.com.au

(ASX: ABZ). The Share price can also be found in the financial pages of major Australian metropolitan newspapers.

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KEY STEPS

<p>Step 1:</p>	<p>Read the terms and conditions of the Share Purchase Plan in full.</p> <ul style="list-style-type: none"> • There is no requirement to participate in the Share Purchase Plan. • Participation in the Share Purchase Plan is entirely voluntary.
<p>Step 2:</p>	<p>Are you an Eligible Shareholder? (see section 3) You are eligible to apply for the New Shares if:</p> <p>(a) your registered address in the Company’s register of members is in Australia or New Zealand; and</p> <p>(b) you were registered as a holder of Shares in the Company as at 5:00pm AEDT on 24 January 2014 (Record Date).</p> <p>The Offer is not being extended to any Shareholder, as at the Record Date, whose registered address is not situated in Australia or New Zealand.</p> <p>Neither these terms and conditions nor the Application Form constitutes an offer in the United States (or to, or for the account or benefit of, US Persons).</p>
<p>Step 3:</p>	<p>If you choose to participate in the Share Purchase Plan you must choose to purchase a parcel of New Shares for one of the following amounts (see section 7):</p> <ul style="list-style-type: none"> • \$1,000 (4,115 Shares); • \$2,000 (8,230 Shares); • \$5,000 (20,576 Shares); • \$10,000 (41,152 Shares); or • \$15,000 (61,728 Shares). <p>You may not subscribe for more than \$15,000 of New Shares even if you have several Share holdings.</p>
<p>Step 4:</p>	<p>To apply for New Shares under the Share Purchase Plan, Eligible Shareholders must (see section 11):</p> <ul style="list-style-type: none"> • complete the Share Purchase Plan Application Form attached to these terms and conditions; or • make a BPAY payment by using the personalised reference number shown on your Application Form, which is required to identify your holding.

QUESTIONS

If you have any questions in relation to the Offer or how to complete the Application Form, please call Henry Kinstlinger – Company Secretary on +61 2 9251 7177 or email corporate@australianbauxite.com.au, or consult your financial or other professional adviser.

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Australian Bauxite Limited
ABN 14 139 494 885

SHARE PURCHASE PLAN – TERMS AND CONDITIONS

These are the terms and conditions of the Australian Bauxite Limited (**ABx** or the **Company**) Share Purchase Plan, and are binding on any Shareholder completing a Share Purchase Plan Application Form attached to these terms and conditions.

1. THE OFFER

1.1. The Offer

The Offer is an invitation to all Eligible Shareholders to subscribe for New Shares at a subscription price of 24.3 cents per New Share, up to a maximum subscription of 61,728 New Shares (\$15,000).

You may choose not to accept the Offer.

The Offer to each Eligible Shareholder is made on the same terms and conditions. The Offer is non-renounceable (i.e. you may not transfer your right to acquire a New Share to anyone else).

The number of New Shares you receive will depend on the value of the parcel of New Shares you apply for and on the total number of New Shares applied for by all Eligible Shareholders. The Company reserves the right to scale back Applications (see **section 8** below).

The Offer Price is fixed, regardless of any changes in the market price of Shares during the Offer period.

1.2. Offer not taken up

If you are an Eligible Shareholder and do not wish to subscribe for New Shares, you are not obliged to do anything. You will not receive any benefits or New Shares.

The number of existing Shares you hold as at the Record Date and the rights attached to those existing Shares will not be affected if you choose not to accept any of your entitlement under this Share Purchase Plan.

2. OPENING AND CLOSING DATES

The Opening Date of the Offer will be 5 February 2014 and the Closing Date will be 6 March 2014. The Directors reserve the right to close the Offer early or extend the Closing Date (as the case may be), should it be considered by them necessary to do so.

3. ELIGIBILITY

3.1. Eligibility

You are eligible to apply for the New Shares if:

- (a) your registered address in the Company's register of members is in Australia or New Zealand; and
- (b) you were registered as a holder of Shares in the Company as at 5:00pm AEDT on 24 January 2014 (**Record Date**).

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3.2. Individual Shareholders

If you are the only registered Shareholder of a holding of Shares, but you receive more than one Offer under the Share Purchase Plan (for example, because you hold Shares in more than one capacity), you may only apply for one parcel of New Shares with a value of up to \$15,000.

The Company reserves the right to reject any Application where it believes there has not been compliance with this rule.

3.3. Joint Shareholders

If you are recorded with one or more other persons as the joint Shareholder of a holding of Shares, that joint Shareholding is considered to be a single registered Shareholding for the purpose of the Share Purchase Plan, and the joint Shareholders are entitled to participate in the Share Purchase Plan in respect of that single holding only. If the same joint Shareholders receive more than one offer under the Share Purchase Plan due to multiple registered holdings, the joint Shareholders may only apply for one parcel of New Shares with a value of up to \$15,000.

3.4. Trustee or nominee

If you hold Shares as a trustee or nominee for another person, the rules for multiple single holdings set out in **section 3.2** apply.

3.5. Directors and employees

Directors and employees of ABx who hold Shares may be Eligible Shareholders.

3.6. Treatment of overseas Shareholders

The Offer is not being extended to any Shareholder, as at the Record Date, whose registered address is not situated in Australia or New Zealand.

No action has been taken to register or qualify the New Shares or the Offer or otherwise to permit an offering of the New Shares in any jurisdiction outside Australia and New Zealand.

Recipients may not send or otherwise distribute this disclosure document or the Application Form to any person outside Australia (other than to Eligible Shareholders).

(a) New Zealand

The Offer to Eligible Shareholders with registered addresses in New Zealand is made in reliance on the *Securities Act (Overseas Companies) Exemption Notice 2002* (New Zealand). Members of the public in New Zealand who were not existing Shareholders on the Record Date are not entitled to apply for any New Shares.

(b) United States

Neither these terms and conditions nor the Application Form constitutes an offer in the United States (or to, or for the account or benefit of, US Persons).

This document is not for publication or distribution, directly or indirectly, in or into the United States of America (including its territories and possessions, any state of the US and the District of Columbia). This document is not an offer of securities for sale into the United States or to, or for the account of benefit of, US Persons. The securities referred to in this document have not been and will not be registered under the *US Securities Act* and may not be offered or sold in the United States or

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to, or for the account or benefit of, US Persons. No public offering of New Shares is being made in the United States.

(c) Representation by Applicants

Returning a completed Application Form or paying the Offer Price for New Shares by BPAY, will be taken to constitute a representation, warranty and agreement by the Applicant that:

- i. they are an Eligible Shareholder, have read and understood these terms and conditions and subscribe for New Shares in accordance with these terms and conditions;
- ii. they authorize ABx to correct minor errors in the Application Form if required, and to complete the Application Form by inserting any minor missing details;
- iii. they acknowledge that the market price of Shares may rise or fall between the date of this Offer and the allotment date of the New Shares and that the Offer Price paid for the New Shares may exceed the market price of the shares on the allotment date;
- iv. the New Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction in the US, or in any other jurisdiction outside Australia or New Zealand, and may not be offered, sold, transferred or otherwise disposed of except in accordance with an available exemption form, or in a transaction not subject to, the registration requirements of the US Securities Act and any other applicable securities laws;
- v. they are eligible under all applicable securities laws to receive an offer under the Share Purchase Plan;
- vi. they are not in the United States, are not US Persons and are not acting for the account or benefit of US Persons;
- vii. they have not and will not send this disclosure document or the Application Form to any person in the United States or that is, or is acting for the account or benefit of, a US Person; and
- viii. if in the future they decide to sell or otherwise transfer their New Shares, they will only do so in regular way transactions on ASX where neither they nor any person acting on their behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is in the United States or is a US Person.

4. OFFER PRICE

The Company is inviting Eligible Shareholders to apply for up to a total of 61,728 New Shares at the Offer Price.

The Offer Price is 24.3 cents per New Share, which is the same price as the US\$500,000 Placement to AAM Alpha Funds PLC – Ausonio Fund completed on 28 January 2014.

5. ISSUE OF SHARES

The Directors reserve the right to issue to Eligible Shareholders such number of Shares under the Share Purchase Plan as is permitted under Listing Rule 7.2, Exception 15 without shareholder approval.

6. RIGHTS

The rights and obligations of the New Shares are contained in the constitution of the Company, which is available for inspection at the registered office of the Company during the Offer period. The New Shares will be issued on the same terms as all existing Shares and the Company will apply for the New Shares to be quoted on ASX.

If the New Shares are not quoted on ASX, the New Shares will not be issued and all funds received will be refunded.

7. NUMBER OF NEW SHARES

Each Eligible Shareholder has the right to apply for up to a maximum of 61,728 New Shares for a consideration of \$15,000.

Eligible Shareholders may select one of the following five alternatives:

Offer A	4,115 New Shares	\$1,000
Offer B	8,230 New Shares	\$2,000
Offer C	20,576 New Shares	\$5,000
Offer D	41,152 New Shares	\$10,000
Offer E	61,728 New Shares	\$15,000

The total cost of New Shares purchased by each Eligible Shareholder (including through joint holdings, multiple share accounts or any holding which they have a beneficial interest) must not exceed \$15,000. The Directors reserve the right to issue to an Eligible Shareholder less New Shares than the number specified in the Application Form for whatever reason including the possible subscription of over \$15,000 worth of New Shares by a Shareholder through multiple Applications or joint holdings.

No fractions of New Shares will be issued.

Any fraction of a New Share will be rounded down to the nearest whole number of New Shares.

8. SCALE BACK

The Company reserves an absolute discretion regarding the amount raised under the Plan, including the right to scale back applications.

If there is a scale back, you may not receive the full parcel of Shares for which you have applied. If a scale back produces a fractional number when applied to your parcel, the number of Shares you will be allotted will be rounded down to the nearest whole number of Shares.

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In the event of a scale back, the difference between the value of the Shares allotted (calculated at the offer price of 24.3 cents per Share) and the application money received will be refunded to you by the Company, without interest, following allotment.

Where the number of New Shares allotted to an Applicant is less than the number applied for, surplus moneys will be refunded by cheque as soon as practicable after the Closing Date.

9. PARTICIPATION COSTS

You must pay the Offer Price and any fees or charges incurred by you in completing the Application Form (for example, bank fees or fees of professional advisors). The Company will pay any brokerage or stamp duty.

10. APPLICATION MONEY AND ALLOTMENT OF NEW SHARES

10.1. Application Money

All Application money received before the New Shares are issued will be held in a special purpose account. After any Application money is refunded (if required) and New Shares are issued to Applicants, the balance of funds in the account plus accrued interest will be received by the Company.

10.2. Allotment of New Shares

Subject to ASX granting the New Shares official quotation, it is expected that the New Shares will be quoted on the ASX by 13 March 2014. If you trade any New Shares before you receive your Share statement, then you do so at your own risk.

11. PAYMENT FOR THE SHARES

11.1. Application options

If you would like to apply for New Shares under the Share Purchase Plan, you have two payment options, which are set out below. Cash payments will not be accepted. Receipts for payment will not be issued.

If you apply for:

- (a) less than \$1,000 of New Shares, the Company will not allot any New Shares to you and will refund your Application monies to you;
- (b) between \$1,000 and \$15,000 of New Shares that is not one of the designated amounts set out in **section 7**, the Company will (subject to any scale back) 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 cheque or BPAY payment, and will refund the excess Application monies to you; and
- (c) more than \$15,000 of New Shares, the Company will (subject to any scale back) allocate to you a parcel of \$15,000 of New Shares and your excess Application monies will be refunded to you.

11.2. To pay by cheque or bank draft

Complete the accompanying Application Form in accordance with the instructions set out in that form and return it together with your cheque or bank draft made payable to "Australian Bauxite Limited" and crossed "Not Negotiable" for the appropriate Application money in Australian dollars.

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The completed Application Form and your cheque or bank draft must be received by the Company's Share Registry at the following address by no later than 5:00pm (AEDT) on the Closing Date. The Company will present the cheque or bank draft on or around the day of receipt of the Application Form. If a cheque is not honoured upon its first presentation, the Directors reserve the right to reject the relevant Application Form.

Share Registry

Australian Bauxite Limited
c/- Computershare Investor Services Pty Limited
GPO Box 505, Melbourne VIC 3001

You will be required to certify to the Company that the total value of the New Shares the subject of the Application does not exceed \$15,000:

11.3. To pay by BPAY

You may make a BPAY payment by using the personalised reference number shown on your Application Form, which is required to identify your holding.

Eligible Shareholders should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment. It is the responsibility of each Applicant to ensure that the Application money is submitted through BPAY with sufficient time for it to be processed by their financial institution and received by the Company no later than 2:00pm (AEDT) on the Closing Date.

If you make your payment using BPAY, you do not need to return your Application Form. However, you will be taken to have represented to the Company that the total Application price for the New Shares the subject of the Application does not exceed \$15,000:

You cannot withdraw or revoke your application once you have sent in an Application Form or paid via BPAY.

12. OFFERS UNDER THE SHARE PURCHASE PLAN

The Company may make more than one invitation to acquire Shares under the Share Purchase Plan in any 12 month period. Shareholders will not be able to acquire Shares to a value exceeding \$15,000 pursuant to the Share Purchase Plan in any 12 month period.

The Company may amend the terms and conditions of the Share Purchase Plan to provide for different terms to apply to different invitations. The Company may terminate the Share Purchase Plan at any time. Notice of invitations, the terms of invitations and any termination of the Share Purchase Plan will be provided to ASX.

13. APPLICATION OF THE SHARE PURCHASE PLAN

The Company may act or omit to act in relation to the Share Purchase Plan (including applying the terms of the Share Purchase Plan) in its absolute discretion. The Company may settle any question of fact or interpretation in relation to the Share Purchase Plan in any matter it thinks fit, whether generally or in relation to any participant, Application or New Share. The Company's decision will be conclusive and binding. The Company reserves the right to waive strict compliance with the terms of the Share Purchase Plan. The Directors of the Company or any authorised delegate may exercise the powers of the Company

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under the terms of the Share Purchase Plan.

14. RISK CONSIDERATIONS

While the Offer Price represents an approximately 4% discount to the VWAP of the last 10 trading days to 24 January 2014, being the day on which Shares last traded prior to the date of the announcement of the Share Purchase Plan, a subscription under the Share Purchase Plan is a speculative investment. The market price may change between the dates you apply for the New Shares and the issue of the New Shares to you. Accordingly, the value of the New Shares applied for may rise or fall.

This Offer is not a prospectus and does not require the types of disclosures required under the Corporations Act. You must rely on your own knowledge of the Company, previous disclosures made by the Company to ASX and, if necessary, consult your professional adviser when deciding whether or not to accept the Offer and participate in the Share Purchase Plan.

15. PRIVACY

By completing the Application Form, you will be providing personal information to ABx. The *Privacy Act 1988* (Cth) governs the use of a person's personal information and sets out principles governing the ways in which organisations should treat personal information. The Company collects information about each Applicant provided on an Application Form for the purposes of evaluating and processing the Application and, if the Application is successful, to administer the Applicant's security holding in ABx. If ABx is obliged to do so by law, investors' personal information will be passed on to other parties strictly in accordance with legal requirements. Once personal information is no longer needed for ABx's records, ABx will destroy or redact it.

By submitting an Application Form, each Applicant agrees that ABx may use the information provided by an Applicant on the Application Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the share registry (Computershare Investor Services Pty Limited), ABx's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

If you do not provide the information required on the Application Form, ABx may not be able to process your Application.

An Applicant has a right to gain access to the information that ABx holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to ABx's registered office.

16. GLOSSARY

AEDT means Australian Eastern Daylight Time.

Applicant means an Eligible Shareholder who lodges an Application.

Application means an application for New Shares pursuant to the Application Form.

Application Form means the Application form attached to or accompanying these terms and conditions.

ASX Listing Rules or **Listing Rules** means the Listing Rules of the ASX.

ASIC means the Australian Securities and Investment Commission.

ASX means ASX Limited (ABN 98 008 624 691).

BPAY means BPAY, registered to BPAY Pty Limited ABN 69 079 137 518.

Closing Date means 6 March 2014 or such other date as may be determined by the Directors.

Company or **ABx** means Australian Bauxite Limited (ABN 14 139 494 885).

Corporations Act means the *Corporations Act 2001* (Cth).

Corporations Regulations means the *Corporations Regulations 2001* (Cth).

Director means a director of the Company.

Eligible Shareholder means a Shareholder as at the Record Date other than a Non Qualifying Foreign Shareholder.

New Share means a Share to be issued under the Share Purchase Plan.

Non-Qualifying Foreign Shareholder means a Shareholder whose registered address is not situated in Australia or New Zealand.

Offer means the offer of New Shares pursuant to the Share Purchase Plan.

Offer Price means 24.3 cents per New Share.

Offer Date means 5 February 2014.

Opening Date means 5 February 2014.

Placement means the placement of 2,320,791 fully paid ordinary shares at A24.3 cents per share to AAM Alpha Funds PLC – Ausonio Fund for a total US\$500,000 (A\$563,952) completed on 28 January 2014.

Record Date means 24 January 2014.

Share means a fully paid ordinary share in the capital of the Company.

Share Purchase Plan means the issue of up to 61,728 New Shares to Eligible Shareholders, each of which is entitled to apply for a parcel of New Shares valued at up to \$15,000 in accordance with these terms and conditions.

Shareholder means the holder of a Share.

US Person has the meaning given to that term in Regulation S under the US Securities Act.

US Securities Act means the *United States Securities Act of 1933* as amended.

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Valid Application means an Application:

- (a) that is made in conjunction with an Application Form accompanying the Offer, and that is properly completed in accordance with the instructions in the Application Form and in the Offer;
- (b) that is accompanied by any supporting documents required by the Offer to accompany the Application Form;
- (c) that is received by the Company on or before 5:00pm on the Closing Date at the address set out in **section 10.2**, or is otherwise duly received in accordance with the provisions of the Offer for electronic lodgement of Applications as set out in **section 10.3**;
- (d) that is not withdrawn before it ceases to be capable of being withdrawn; and
- (e) in respect of which payment of the Offer Price for the relevant number of New Shares is received and is cleared (either before or after the Closing Date) when presented (either before or after the Closing Date) for payment by the relevant financial institution on which the payment is drawn.


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Australian Bauxite Limited
ABN 14 139 494 885

For all enquiries:

Phone:

 Henry Kinstlinger (Company Secretary)
+61 2 9251 7177



Email:

corporate@australianbauxite.com.au

┌ 000001 000 ABZ
MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Make your payment:



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

Share Purchase Plan Application Form

 **Your payment must be received by 5:00pm (AEDT) Thursday 6 March 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 Australian Bauxite Limited and that the submission of this payment constitutes an irrevocable offer by you to subscribe for Australian Bauxite Limited shares on the terms of the Share Purchase Plan (SPP).

In addition, by submitting the slip below you certify that the aggregate of the application price paid by you for:

- the shares the subject of the slip below; and
- any other shares and interests in the class applied for by you under the SPP or any similar arrangement in the 12 months prior to the date of submission of the slip below does not exceed A\$15,000.

Australian Bauxite Limited may make determinations in any manner it thinks fit, in relation to any difficulties which may arise in connection with the SPP whether generally or in relation to any participant or application.

Any determinations by Australian Bauxite Limited will be conclusive and binding on all eligible shareholders and other persons to whom the determination relates. Australian Bauxite Limited reserves the right to waive strict compliance with any provision of the terms and conditions of the SPP, to amend or vary those terms and conditions or to suspend or terminate the SPP at any time. Any such amendment, suspension or termination will be binding on all eligible shareholders even where Australian Bauxite 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 the amount chosen may be subject to scale back in accordance with the terms of the SPP.

Choose one of the payment methods shown below.

BPAY®: See overleaf. Do not return the 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 bank draft payable in Australian dollars to **Australian Bauxite 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 slip below as indicated. 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.

Australian Bauxite Limited Share Purchase Plan Application Form
Payment must be received by 5:00pm (AEDT) Thursday 6 March 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: **7:00pm (AEDT) Friday 24 January 2014**

Minimum value available to purchase: **\$1,000**

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

STEP 2

Make Your Payment



Billers Code: 227819
Ref No: 1234 5678 9123 4567 89

Pay by Mail:



Make your cheque, money order or bank draft payable to **Australian Bauxite Limited**.

Return your cheque with the below slip to:
Computershare Investor Services Pty Limited
GPO BOX 505 Melbourne Victoria 3001 Australia

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

Lodgement of Acceptance

If you are applying for shares and your payment is being made by BPAY®, you do not need to return the slip below. Your payment must be received by no later than 5:00pm (AEDT) on Thursday 6 March 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 Australian Bauxite 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, bank draft or money order the slip below must be received by CIS by no later than 5:00pm (AEDT) on Thursday 6 March 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 slip below with cheque attached. Neither CIS nor the Company accepts any responsibility if you lodge the slip below at any other address or by any other means.

Privacy Statement

Personal information is collected on this form by Computershare Investor Services Pty Limited (CIS) as registrar for the securities issuer (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal information may be disclosed to our related bodies corporate, to external service companies such as print or mail service providers, or as otherwise permitted by law. If you would like details of your personal information held by CIS, or you would like to correct information that is inaccurate, incorrect or out of date, please contact CIS. In accordance with the Corporations Act 2001, you may be sent material (including marketing material) approved by the issuer in addition to general corporate communications. You may elect not to receive marketing material by contacting CIS using the details provided above or email privacy@computershare.com.au

Detach here

Purchase Details for Australian Bauxite Limited (choose one option)

\$1,000 (4,115 Shares) OR \$2,000 (8,230 Shares) OR \$5,000 (20,576 Shares)

\$10,000 (41,152 Shares) OR \$15,000 (61,728 Shares)



Entitlement No: 12345678

A\$

Payment must be received by 5:00pm (AEDT) Thursday 6 March 2014

MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Contact Details

Contact Name _____ Daytime Telephone _____

Cheque Details

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	A\$ <input type="text"/>

123456789123456789+0000000001-3051+14