

29 May 2020

Dear option holder

Notice of pro-rata non-renounceable rights offer

On 29 May 2020, Pure Alumina Limited (**PUA** or **Company**) announced a non-renounceable pro rata rights offer (**Entitlement Offer**) to acquire three (3) new ordinary shares (**New Shares**) at \$0.009 each for every five (5) existing fully paid ordinary shares held by PUA shareholders in Australia and New Zealand (**Eligible Shareholders**) at 7:00 pm (Sydney time) on Wednesday, 3 June 2020 (**Record Date**). One free attaching new option with an exercise price of 2.5 cents (\$0.025) and expiry date of 30 December 2022 will also be issued for every two New Shares issued. The Entitlement Offer will raise approximately \$1,377,135, before issue costs.

Full details of the Entitlement Offer are contained in the Prospectus lodged with ASIC and the ASX on 29 May 2020, and is available to view on the ASX website under the Company's ASX code "PUA" and PUA's website at www.purealumina.com.au.

The Entitlement Offer is currently scheduled to close at 5:00 pm (Sydney time) on Tuesday, 30 June 2020.

Under the terms of the options you currently hold, there is no entitlement to participate in the Entitlement Offer, unless you exercise your options and are entered onto the register as an Eligible Shareholder on or before the Record Date. The purpose of this letter is to give you that notice in order to permit you to participate in the Entitlement Offer, should you wish to do so.

If you wish to participate in the Entitlement Offer in respect of shares allotted on exercise of your options, you will need to exercise all or some of your options in accordance with their terms at least 1 day prior to the Record Date.

If you do not wish to participate in the Entitlement Offer (in respect of your options) you do not need to take any action. Before deciding whether to exercise all or any of your options, you should consider the Prospectus. If in any doubt, you should consult with your professional advisor.

Further Information

If you have any query or question about the Entitlement Offer, please contact the company secretary, Melanie Leydin, by telephone on +61 3 9692 7222, by facsimile on +61 3 9077 9233 or by email at mleydin@leydinfreyer.com.au, or the Company's share registrar, Boardroom Pty Limited, as follows:

Telephone: 1300 737 760 (within Australia)
+61 2 9290 9600 (outside Australia)
between 8:30 am and 5:00 pm (Sydney time) Monday to Friday

Yours faithfully



Thomas Eadie
Non-Executive Chairman



PURE ALUMINA LIMITED

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