

Form 603
Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme Australian Bauxite Limited (ABX)

ACN/ARSN ACN 139 494 885

1. Details of substantial holder (1)

Name Resourceful Resources Ltd (RRL)

ACN/ARSN (if applicable) N/A

The holder became a substantial holder on 4 September 2014

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Ordinary	11,314,579	11,314,579	8.9%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
RRL	Pursuant to section 608(1)(b) and (c) of the Corporations Act in respect of shares held in the name of RNB Resources Private Limited (RNB) as a result of RNB granting a share mortgage to RRL, details of which are annexed as Annexure A.	11,314,579 ordinary shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of Securities	Person entitled to be registered as holder (8)	Class and number of securities
RRL	RNB Resources Private Limited (RNB)	RNB	11,314,579 ordinary shares

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)	Class and number of securities
RRL	4 September 2014	As defined in Annexure A.	11,314,579 ordinary shares

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
N/A	N/A

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
RRL	c/o Allen & Bryans (Pacifitrust) Consultants, No 10 Anson Road #03-05 International Plaza, Singapore 079903

Signature

print name Oscar F. Avillanosa

Capacity
Beneficial
Owner

sign here

date 12 September 2014

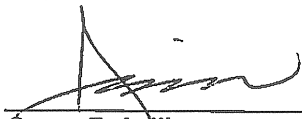
DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown."
- (9) Details of the consideration must include any and all benefits, moneys and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

Annexure A to Form 603

This is Annexure A referred to in the Form 603 (Notice of initial substantial holder), signed by me and dated **12** September 2014.



Oscar F. Avillanosa
Beneficial Owner

Details of Deed of Mortgage of Securities

Pursuant to a Deed of Mortgage of Securities dated 4 September 2014, RNB Resources Private Limited (**RNB**) granted a share mortgage to Resourceful Resources Ltd (**RRL**) on the following terms:

(a) Collateral: 11,314,579 shares in and issued by Australian Bauxite Limited (**ABX**) and all present and future rights attaching to or relating to such shares or other marketable securities;

(b) Consideration: To secure the satisfaction of the obligations and the payment of the secured money under the finance documents. The total amount secured by the finance documents is approximately \$13,000,000;

(c) Priority: The mortgage is a first ranking security subject only to any encumbrances mandatorily preferred by law;

(d) Conversion: At any time after an event of default has occurred and while it subsists, RRL may procure itself (or its nominee) to be registered as the holder of the shares;

(e) Events of Default: An event of default includes the following:

- Failure to pay an amount due under the finance documents, where that failure is not remedied within 4 business days;
- Failure to perform, observe or fulfil any provision of any finance document other than a provision requiring the payment of money, and where that failure is capable of remedy, it is not remedied within 15 business days of receipt of notice from RRL;
- Any representation, warranty or statement made, repeated or deemed to be made or repeated in any finance document proves to be untrue in a material respect, and where the circumstances are capable of remedy, they are not remedied within 15 business days of receipt of notice from RRL;
- An event of insolvency occurs;
- Default under other transactions where the sum payable is in excess of \$1,000,000;
- Any finance document is or becomes void, voidable or unenforceable in whole or in part;
- Performance of obligations under any finance document is unlawful;
- The mortgage does not create the encumbrance it purports to create;
- RNB takes action to reduce its share capital, other than by the redemption of redeemable preference notes in a manner which is not prohibited by the finance documents;
- ABX ceases to be listed on ASX Limited or trading in its shares is suspended for not less than 14 days; or
- RNB fails to pay any money payable in respect of any part of the collateral,

(f) Notice: The RRL may at any time after the date of the mortgage notify ABX or any other person of its interest in the Collateral.