

20 July 2017

Dear Option holder

Letter to Option Holders – Expiring 31 July 2017 of unquoted options at \$0.012

This is a reminder notice that your options to subscribe for ordinary fully paid shares in Queensland Bauxite Limited (ASX: QBL) will expire at 5:00pm Australian Western Standard Time (AWST) on 31 July 2017.

Each option entitles the holder to acquire one ordinary share in QBL for \$0.012 each.

In order to exercise your options, an Option Exercise Notice is enclosed which sets out the number of options held by you and the total amount payable at the exercise price of \$0.012 per share.

The courses of action open to you, the Option Holder, are:

- (i) **Exercise all or some of the options.** Complete the Option Exercise Notice form enclosed and ensure payment is received by the company by no later than 5:00pm AWST, Friday 28 July 2017.
- (ii) **Do nothing.** If you do not take action to exercise your options prior to the expiry date of 31 July 2017, the options will expire and your right to purchase shares at \$0.012 per share will lapse and all rights will be forfeited.

On the date of this letter, 20 July 2017, the closing sale price for Fully Paid Ordinary Shares in QBL on the ASX was \$0.012 cents.

In the past 3 months, the lowest price at which the Fully Paid Ordinary Shares in QBL have traded has been \$0.01 on 19th June and the highest price at which the Fully Paid Ordinary Shares in QBL have traded over the last 3 months is \$0.025 on 1st May.

You are not obliged to exercise your options and should seek independent advice if you are considering doing so.

For further information in regards to these options please contact the Company on 02 9291 9000 or email: sfeldman@queenslandbauxite.com.au

Yours sincerely



Sholom D Feldman
Company Secretary