



Queensland Bauxite Limited
ACN 124 873 507

**Notice of Annual General Meeting
to be held on 25 November 2014**

and

**Explanatory Memorandum
for the Notice of Annual General Meeting**

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.
IF YOU ARE IN ANY DOUBT ABOUT THE ACTION YOU SHOULD TAKE,
PLEASE CONSULT YOUR STOCKBROKER, SOLICITOR, ACCOUNTANT
OR OTHER PROFESSIONAL ADVISER.**

**NOTICE OF THE GENERAL MEETING TO BE HELD
AT
LEVEL 16, 1 MARKET STREET, SYDNEY NSW 2000**

AT 11:30AM SYDNEY TIME ON TUESDAY, 25 NOVEMBER 2014

TO BE VALID, FORMS OF PROXY FOR USE AT THE GENERAL MEETING
MUST BE COMPLETED AND RETURNED TO THE COMPANY NO LATER THAN
11:30AM SYDNEY TIME ON SUNDAY, 23 NOVEMBER 2014

Section A Glossary

1. Definitions

Words defined in the Explanatory Memorandum have the same meaning when used in this Notice of Annual General Meeting unless the context requires otherwise. For assistance in considering the Notice of Annual General Meeting, the following words are defined here:

Associate	has the meaning given to it by Division 2 of Part 1.2 of the Corporations Act.
ASX	means ASX Limited ACN 008 624 691 or the securities market operated by the ASX, as the case may be.
ASX Listing Rules	means the official listing rules issued and enforced by the ASX as amended from time to time.
Board	means the board of Directors.
Company	means Queensland Bauxite Limited ACN 124 873 507.
Corporations Act	means <i>Corporations Act 2001</i> (Cth).
Director	means a director of the Company.
Explanatory Memorandum	means the explanatory memorandum set out in Section C of this document.
Notice of Annual General Meeting or Notice	means the notice of Annual General Meeting set out in Section B of this document.
Official Quotation and Officially Quoted	means officially quoted on the ASX.
Resolution	means a resolution passed by the requisite majority of members of the Company on a show of hands or by the requisite majority of votes given on a poll.

Restricted Securities

means securities of the Company that:

- (a) are subject to escrow restrictions as determined in accordance with Appendix 9B of the ASX Listing Rules; or
- (b) in the opinion of the ASX, should be treated as restricted securities.

Share

means a fully paid ordinary share in the issued capital of the Company and **Shares** means any two or more of them.

Shareholder

means a holder of a Share.

Section B Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Shareholders of Queensland Bauxite Limited ACN 124 873 507 (the **Company**) will be held at Level 16, 1 Market Street, Sydney on Tuesday, 25 November 2014 at 11:30 am (Sydney time).

The Explanatory Memorandum which accompanies and forms part of this Notice of Annual General Meeting should be considered prior to Shareholders voting on the matters to be considered at the Annual General Meeting.

If you are unable to attend the Annual General Meeting, please complete and return the enclosed proxy form in accordance with the specified directions in this Notice of Annual General Meeting and on the proxy form.

Defined terms used in this Notice of Annual General Meeting have the meanings given to them in the Glossary accompanying this Notice of Annual General Meeting.

1. Ordinary business

1.1 Financial Reports

To receive and consider the Financial Reports of the Company including the balance sheet and profit and loss account and statements of cash flows of the Company, the consolidated financial statement, the directors' declaration and the reports of the Directors and auditors for the financial year ended 30 June 2014.

Note: The Financial Report, Directors' Report and Auditor's Report for the Company for the year ended 30 June 2014 will be laid before the meeting. There is no requirement for Shareholders to approve those reports. Shareholders will be given an opportunity to raise questions of the Directors and the Company's auditor on the Accounts at the Annual General Meeting.

1.2 Resolution 1: Adoption of Remuneration Report

To consider and, if thought fit, to pass, the following Resolution:

"That the Remuneration Report for the year ended 30 June 2014 included in the Directors' Report, which is attached to the Financial Statements as required under section 300A of the Corporations Act, be adopted by the Company."

Note: The Remuneration Report is set out on pages 53-58 and note 11 to the Financial Statements contained in the 2014 Annual Report. In accordance with section 250R(3) of the Corporations Act, the votes cast in respect of this Resolution are advisory only and do not bind the Company.

1.3 **Resolution 2: Re-election of Sholom Feldman**

To consider and, if thought fit, to pass, with or without amendment, the following Resolution:

"That Sholom Feldman, having retired from his office as a Director in accordance with Rule 3.6 of the constitution of the Company and, being eligible, having offered himself for re-election, be re-elected as a Director."

1.4 **Resolution 3: Election of Meyer Gutnick**

To consider and, if thought fit, to pass, with or without amendment, the following Resolution:

"That Meyer Gutnick, having been elected by the Board and having retired from his office as a Director in accordance with Rule 3.4 of the constitution of the Company and, being eligible, having offered himself for election, be elected as a Director."

2. **Special business**

2.1 **Resolution 4: Placement - Shares**

As the date of this Notice of Annual General Meeting the Company does not have plans to raise capital through the issue of Shares. Resolution 4 provides the Company with the flexibility to allot and issue Shares if the Directors consider it to be in the best interests of Shareholders at the appropriate time.

To consider and, if thought fit, to pass the following Resolution:

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to allot and issue up to 65 million Shares on the terms and conditions set out in the Explanatory Memorandum."

3. **Voting exclusion statement**

3.1 **Resolution 1**

The Corporations Act prohibits any votes being cast on Resolution 1 by or on behalf of a person who is disclosed in the Remuneration Report as a member of the key management personnel of the Company (including the Directors and the Chairperson) or a closely related party of that key management personnel. However, such a person may cast a vote on Resolution 1 as a proxy for a person who is permitted to vote and the appointment of the proxy specifies the way the proxy is to vote on the Resolution.

3.2 Resolution 4

In accordance with the notice requirements of ASX Listing Rule 7.3.8 for approval under ASX Listing Rule 7.1, and ASX Listing Rule 14.11.1, the Company will disregard any votes cast on Resolution 4 by:

- (a) a person who may participate in the issue;
- (b) a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed; and
- (c) any Associate of such persons mentioned in paragraphs 3.2(a) and 3.2(b) above.

However, the Company will not disregard a vote if:

- (d) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (e) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

4. Determination of membership and voting entitlement

For the purpose of determining a person's entitlement to vote at the Annual General Meeting, a person will be recognised as a member of the Company and the holder of Shares if that person is registered as a holder of those Shares at 5:00pm Sydney time on Friday, 21 November 2014.

5. Votes of members

On a show of hands, each member present in person or by proxy (or, in the case of a body corporate, by a representative) at the Annual General Meeting who is entitled to vote shall have one vote.

On a poll, every member present in person or by attorney or by proxy (or, in the case of a body corporate, by a representative) who is entitled to vote shall have one vote for each Share held by him, her or it.

6. Proxies

Please note that:

- (a) a Shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint no more than two proxies;
- (b) an instrument appointing a proxy must be in the form of the proxy form attached to this Notice of Annual General Meeting;

- (c) a proxy may be a Shareholder of the Company;
- (d) a proxy need not be a Shareholder of the Company;
- (e) where a Shareholder appoints two proxies, the following rules apply:
 - (i) each proxy may exercise half of the Shareholder's voting rights if the appointment does not specify a proportion or number of the Shareholder's voting rights the proxy may exercise;
 - (ii) on a show of hands, neither proxy may vote; and
 - (iii) on a poll, each proxy may only exercise the voting rights the proxy represents;
- (f) a proxy has the authority to vote on the Shareholder's behalf as he or she thinks fit, on any motion to adjourn the Annual General Meeting, or any other procedural motion, unless the Shareholder gives a direction to the contrary;
- (g) a valid proxy form will be deemed to confer authority to demand or join in demanding a poll;
- (h) to be valid, a proxy form must be signed by the Shareholder or the Shareholder's attorney or, if the Shareholder is a corporation, executed in accordance with the corporation's constitution and the Corporations Act (and may be signed on behalf of the corporation by its attorney); and
- (i) to be valid, a proxy form and the power of attorney or other authority (if any) under which it is signed (or an attested copy of it) must be received by no later than 11:30am (Sydney time) on Sunday, 23 November 2014 :

by the Company:

- by mail: Queensland Bauxite Limited
PO Box 114
BONDI NSW 2026
Australia

or - by 02 9291 9099 (within Australia)
facsimile: +61 2 9291 9099 (outside Australia)

By order of the Board:

Mr Sholom Feldman
Chief Executive Officer
Queensland Bauxite Limited
Dated: 24 October 2014

Section C Explanatory Memorandum

1. Introduction

This Explanatory Memorandum contains the information needed for Shareholders to assess Resolutions 1-4 to be put to them at the Annual General Meeting of the Company on Tuesday, 25 November 2014. A Notice of Annual General Meeting accompanies this Explanatory Memorandum.

This Explanatory Memorandum, as well as the Notice of Annual General Meeting, should be read carefully and in their entirety.

The Explanatory Memorandum and Proxy Form are part of this Notice of Annual General Meeting.

2. Accounts and reports

The Financial Report, Directors' Report and Auditor's Report for the Company for the year ended 30 June 2014 will be laid before the meeting. There is no requirement for Shareholders to approve those reports. Shareholders will be given an opportunity to raise questions of the Directors and the Company's auditor on the Accounts at the Annual General Meeting.

3. Resolution 1 – Adoption of Remuneration Report

Resolution 1 is proposed for the adoption of the Remuneration Report contained in the Directors' Report referred to in the first item of the agenda set out in the Notice. Under the Corporations Act, the Company is required to present its Remuneration Report to Shareholders for adoption at its Annual General Meeting. The Remuneration Report of the Company for the financial year ended 30 June 2014 is set out in the Directors' Report on pages 53-58 and note 11 to the Financial Statements contained in the 2014 Annual Report.

The Annual Report may be accessed at <http://www.queenslandbauxite.com.au/> or on the ASX company announcements platform using the ASX code: QBL. A copy may also be obtained by contacting the Company Secretary at sfeldman@queenslandbauxite.com.au. Shareholders will be given ample opportunity to raise questions of the Directors on the Remuneration Report prior to the Resolution being put to Shareholders. The Resolution to adopt the Remuneration Report is a non-binding Resolution on the Company and its Directors.

However, if at least 25% of the votes cast are against the adoption of the Remuneration Report, the Company's next Remuneration Report must explain the Board's proposed action in response or explain why no action has been taken.

In the following year, if at least 25% of the votes cast on the resolution that the Remuneration Report be adopted are against adoption, Shareholders will then vote to determine whether the Directors will need to stand for re-election. If more than 50% of the votes cast on the resolution are in favour, a separate re-election meeting must be held within 90 days.

The Board recommends that Shareholders vote in favour of adopting the Remuneration Report.

4. Resolution 2 – Re-election of Sholom Feldman

Resolution 2 relates to the re-election of Sholom Feldman as a Director of the Company. Under Rule 3.6 of the constitution of the Company, one-third of the Company's Directors must resign and, if eligible, may be re-elected.

Sholom Feldman has vacated his office as Director in accordance with Rule 3.6 and, being eligible, offers himself for re-election. The Directors recommend that Shareholders vote in favour of this Resolution.

5. Resolution 3 – Election of Meyer Gutnick

Resolution 2 relates to the election of Meyer Gutnick as a Director of the Company. Meyer Gutnick was appointed as a Director on 4 March 2014.

Meyer has many years' experience in investment and finance. He has built his reputation by building significant investor portfolios in the banking, insurance and real estate sectors in New York. He is also a seasoned investor in the public markets, including the ASX and the stock exchanges in USA.

His contacts, acumen and experience are valuable to the Company's development.

Under Rule 3.4 of the constitution of the Company, the Board may appoint a person to be a Director at any time except during a general meeting. Any Director so appointed:

- (a) automatically retires at the next annual general meeting and is eligible for re election by that annual general meeting; and
- (b) is not taken into account in deciding the rotation or retirement of Directors or the number of them to retire under Rule 3.6 at that annual general meeting.

Meyer Gutnick has vacated his office as Director in accordance with Rule 3.4 and, being eligible, offers himself for election. The Directors recommend that Shareholders vote in favour of this Resolution.

6. Resolution 4 – Placement - Shares

6.1 General

Resolution 4 seeks Shareholder approval for the allotment and issue of up to 65 million Shares at an issue price set out in paragraph 6.2.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary shares on issue at the commencement of that 12 month period.

The effect of Resolution 4 will be to allow the Directors to issue up to 65 million Shares during the period of three months from the date of the Annual General Meeting (or such longer period as may be allowed by the ASX) without using the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

6.2 Notice requirements

Pursuant to ASX Listing Rule 7.3, the following information is provided regarding ASX Listing Rule 7.1 approval:

(a) **ASX Listing Rule 7.3.1: Maximum number of securities to be issued**

The maximum number of Shares to be issued pursuant to Resolution 4 is 65 million. Subject to the approval of the Board, the placement Shares will be issued for the purposes of raising additional working capital for the Company. No Shares will be issued pursuant to Resolution 4 if, at a result of that issue, an investor or other person acquires a relevant interest in Shares in breach of section 606 of the Corporations Act.

(b) **ASX Listing Rules 7.3.2 and 7.3.7: Date by which securities will be issued and allotted**

Subject to Shareholder approval being obtained and the Board resolving to issue Shares pursuant to Resolution 4, the issue and allotment of Shares will occur on a date or dates which is or are no later than three months after the date of this Annual General Meeting or such later date as deemed appropriate by an ASX waiver.

(c) **ASX Listing Rule 7.3.3: Issue price of securities**

The issue price of Shares to be issued pursuant to Resolution 4 will not be less than 80% of the volume weighted average price for Shares on the ASX during the five trading days prior to the placement, or, if there is a disclosure document issued by the Company, during the five trading days prior to the date the disclosure document is signed and lodged with ASIC.

(d) **ASX Listing Rule 7.3.4: Name of allottees**

The Directors will determine to whom the Shares will be issued but these persons will not be related parties of the Company.

(e) **ASX Listing Rule 7.3.5:** *Terms of securities*

The Company will apply to the ASX to have Shares issued pursuant to Resolution 4 officially quoted on the ASX and these Shares will rank equally with all other Shares on issue. In other respects, the rights and entitlements of the holders in respect of Shares issued pursuant to Resolution 4 will be identical to the rights and entitlements of the holders of existing issued Shares.

(f) **ASX Listing Rule 7.3.6:** *Intended use of the funds*

The funds raised by the issue of up to 65 million Shares pursuant to Resolution 4 will be used to provide additional working capital to the Company.

(g) **ASX Listing Rule 7.3.8:** *A voting exclusion statement*

A voting exclusion statement is included at paragraph 3.2 of the Notice of Annual General Meeting (Section B).

Lodge your vote:



By Mail:

Queensland Bauxite Limited
PO Box 114
Bondi NSW 2026
Australia

Alternatively you can fax your form to
(within Australia) 02 9291 9099
(outside Australia) +61 2 9291 9099

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

000001 000 QBL
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Proxy Form

For your vote to be effective it must be received by 11.30am (Sydney time) Sunday, 23 November 2014

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form ➔



View the Annual Report, 24 hours a day, 7 days a week:

www.queenslandbauxite.com.au

View and update your securityholding:

www.investorcentre.com

Your secure access information is:

SRN/HIN: I9999999999



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030



Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark ☒ to indicate your directions

STEP 1

Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Queensland Bauxite Limited hereby appoint

☐

the Chairman
of the Meeting **OR**



PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Queensland Bauxite Limited to be held at Level 16, 1 Market Street, Sydney, New South Wales on Tuesday, 25 November 2014 at 11.30am (Sydney time) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolution: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolution 1 by marking the appropriate box in step 2 below.

STEP 2

Items of Business



PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Sholom Feldman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Election of Meyer Gutnick	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Placement - Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN

Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact
Name

Contact
Daytime
Telephone

Date / /

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