

Mercantile OFM Pty Limited

ABN 30 120 221 623

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19 February 2018

BY ELECTRONIC LODGEMENT

Company Announcements
ASX Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

EXTENSION OF OFFER PERIOD

Off Market Takeover Bid for 50% of the issued ordinary shares (Offer) in Bauxite Resources Limited (ACN 119 699 982) (BAU)

Mercantile OFM Pty Ltd (ACN 120 221 623) (**Mercantile OFM**), attaches a copy of a notice of variation (**Notice of Variation**) in accordance with section 650D(1) of the Corporations Act.

BAU Shareholders are encouraged to read the Notice of Variation in its full as650 it provides that:

1. Mercantile OFM has extended the Offer Period to 7:00pm (Sydney time) 30 April 2018 (**Extension of the Offer Period**); and
2. as a result of the Extension of the Offer Period:
 - (a) the new date for giving of the notice of the status of the conditions to Mercantile OFM's takeover offer is now 23 April 2018; and
 - (b) BAU Shareholders who have already accepted the Offer before or on the date of the Notice of Variation have a right to withdraw their acceptance of the Offer.

A copy of the Notice of Variation is dated 19 February 2018 and was lodged with ASIC on that date.

Yours sincerely,



Gabriel Radzynski
Director

Mercantile OFM Pty Ltd (ACN 120 221 623)

**Proportional Off-Market Bid for
Bauxite Resources Limited (ACN 119 699 982)**

Notice of Variation under s650D(1) of the *Corporations Act 2001* (Cth): Extension of Offer Period and Withdrawal Rights

To: Bauxite Resources Limited (ACN 119 699 982) (**BAU**)
And to: Australian Securities & Investments Commission (**ASIC**)
And to: Each holders of ordinary shares in BAU
And to: ASX Limited

This notice of variation (**Notice of Variation**) is given under section 650D(1) of the *Corporations Act 2001* (Cth) (**Corporations Act**) by Mercantile OFM Pty Ltd (ACN 120 221 623) (**Mercantile OFM**) in relation to the offers dated 20 December 2017 (**Offers**) under its proportional takeover bid for 50% of the issued ordinary shares in Bauxite Resources Limited (ACN 119 699 982) (**BAU**), contained in the bidder's statement issued by Mercantile OFM dated 21 November 2017 (**Bidder's Statement**), which is supplemented by its first supplementary bidder's statement dated 13 December 2017 and its second supplementary bidder's statement dated 25 January 2018.

Words defined in the Bidder's Statement have the same meaning in this notice, unless the context requires otherwise.

Extension of the Offer Period

Mercantile OFM gives notice that it varies its Offers by extending the Offer Period until 7.00pm (Sydney time) on Monday, 30 April 2018 (**Extension of the Offer Period**).

As a result of the Extension of the Offer Period, Mercantile OFM gives notice under section 630(2)(b) of the Corporations Act that:

- (a) the new date that Mercantile OFM is required to give notice as to the status of the conditions, as required by section 630(1) of the Corporations Act, is Monday, 23 April 2018; and
- (b) the Offer remains subject to the conditions set out in the Bidder's Statement.

Withdrawal rights

As a result of the Extension of the Offer Period and in accordance with sections 650E(1) and 650D(1)(a)(ii) of the Corporations Act, Mercantile OFM gives notice that BAU shareholders who have validly accepted the Offer before or on the date of this notice have the right to withdraw that acceptance (**Withdrawal Right**) by giving notice within one month commencing on the day after the day that they receive this notice (**Withdrawal Period**).

BAU shareholders who wish to exercise their Withdrawal Right must notify Mercantile OFM of the withdrawal of their acceptance of the Offer in writing (**Withdrawal Notice**) within the Withdrawal Period. A Withdrawal Notice received after the Withdrawal Period will not be accepted and, accordingly, that purported exercise of the Withdrawal Right will be deemed null and void.

A Withdrawal Notice must be sent to Mercantile OFM in writing by one of the following methods:

By Mail:	By Facsimile:
Mercantile OFM Pty Ltd Level 5, 139 Macquarie Street, Sydney NSW 2000	02 8084 9918

The Withdrawal Notice should identify the full name of the registered BAU shareholder withdrawing their acceptance of the Offer and provide the number of BAU shares which that BAU shareholder is seeking to exercise their Withdrawal Right on.

If a BAU shareholder is legally entitled to give, and does give, a Withdrawal Notice within the Withdrawal Period, then within 14 Business Days after the day which a Withdrawal Notice is given, Mercantile OFM will return to that BAU shareholder, any documents in acceptance of the Offer which was sent by that BAU shareholder to Mercantile OFM.

Authorisation

This Notice of Variation is dated 19 February 2018, the date it was lodged with ASIC. Neither ASIC nor any of its officers takes any responsibility for the contents of this Notice of Variation.

This Notice of Variation has been approved by a resolution passed by the directors of Mercantile OFM.

Dated: 19 February 2018

Signed for and on behalf of Mercantile OFM Pty Ltd



Gabriel Radzynski
Director