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**BAUXITE RESOURCES LIMITED****ACN 119 699 982****NOTICE OF ANNUAL GENERAL MEETING**

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**TIME:** 11.30am (WST)  
**DATE:** Friday 23<sup>rd</sup> November 2018  
**PLACE:** Suite 10, 295 Rokeby Road  
Subiaco WA 6008

*This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.*

*Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 8) 9200 8200.*

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## BUSINESS OF THE ANNUAL GENERAL MEETING

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Notice is given that the annual general meeting of Shareholders will be held at 11.30am (WST) on 23<sup>rd</sup> November 2018 at Suite 10, 295 Rokeby Road, Subiaco, WA.

The Explanatory Statement provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 5:00pm (WST) on 21<sup>st</sup> November 2018.

Terms and abbreviations used in this Notice of Meeting are defined in the Glossary.

## AGENDA

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### ORDINARY BUSINESS

#### Financial Statements and Reports

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2018 together with the declaration of the directors, the directors' report, the Remuneration Report and the auditor's report.

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#### 1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

*“That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2018.”*

**Note: the vote on this resolution is advisory only and does not bind the Directors or the Company.**

**Voting Prohibition Statement:** A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the **voter**) described above may vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
  - (i) does not specify the way the proxy is to vote on this Resolution; and
  - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

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## 2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR ROBERT NASH

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purpose of clause 14.2 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Robert Nash, a Director, retires by rotation, and being eligible, is re-elected as a Director.”*

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## 3. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MR LUKE ATKINS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purpose of clause 14.2 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Luke Atkins, a Director, retires by rotation, and being eligible, is re-elected as a Director.”*

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## 4. RESOLUTION 4 – APPROVAL TO AMEND PERFORMANCE RIGHTS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purpose of ASX Listing Rule 6.23.4, section 195(4) of the Corporations Act and for all other purposes, approval is given for the Company to vary the terms of the Performance Rights on issue on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who holds a Performance Right, or any associates of those persons. However, the Company need not disregard a vote if 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, if it is cast by the Chair of 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.

**Voting Prohibition Statement:**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
    - (i) a member of the Key Management Personnel; or
    - (ii) a Closely Related Party of such a member; and
  - (b) the appointment does not specify the way the proxy is to vote on this Resolution.
- However, the above prohibition does not apply if:
- (a) the proxy is the Chair of the Meeting; and
  - (b) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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**DATED: 01 OCTOBER 2018**

**BY ORDER OF THE BOARD**



**SAM MIDDLEMAS  
COMPANY SECRETARY**

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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions which are the subject of the business of the Meeting.

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### 1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2018 together with the declaration of the directors, the directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at [www.bauxiteresources.com.au](http://www.bauxiteresources.com.au).

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### 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

#### 2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

#### 2.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

## 2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, there is no requirement for a Spill Resolution for this Annual General Meeting.

## 2.4 Proxy voting restrictions

Shareholders appointing a proxy for this Resolution should note the following:

Proxy	Directed	Undirected
Key Management Personnel <sup>1</sup>	Voted	Not voted <sup>3</sup>
Chair <sup>2</sup>	Voted	Voted at discretion of Proxy <sup>4</sup>
Other	Voted	Voted at discretion of Proxy

### Notes:

1. Refers to Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member.
2. Refers to the Chair (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report), or a Closely Related Party of such a member).
3. Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.
4. The Proxy Form notes it is the Chair's intention to vote all undirected proxies in favour of all Resolutions.

## 3. RESOLUTIONS 2 AND 3 – RE-ELECTION OF DIRECTORS – MR ROBERT NASH AND MR LUKE ATKINS

ASX Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is the longer.

Clause 14.2 of the Constitution provides that:

- (a) at the Company's annual general meeting in every year, one-third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third (rounded upwards in case of doubt), shall retire from office, provided always that no Director (except a managing director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election;
- (b) the Directors to retire at an annual general meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots;
- (c) a Director who retires by rotation under clause 14.2 of the Constitution is eligible for re-election; and
- (d) in determining the number of Directors to retire, no account is to be taken of:
  - (i) a Director who only holds office until the next annual general meeting pursuant to clause 14.4 of the Constitution; and
  - (ii) a managing director,

each of whom are exempt from retirement by rotation. However, if more than one managing director has been appointed by the Directors, only one of them (nominated by the Directors) is entitled to be excluded from any determination of the number of Directors to retire and/or retirement by rotation.

The Company currently has 4 Directors, of whom 2 will have held office for three years since their re-election, and accordingly must retire.

Mr Robert Nash and Mr Luke Atkins have both held office for three years since their last re-election at the 2015 annual general meeting and both retire by rotation and seek re-election.

Details of Mr Robert Nash are as follows:

**Robert Nash**, B Juris LLB, Public Notary (Non-Executive Chairman)

Mr Nash is a lawyer by profession and currently practises as a barrister. He recently retired from the position of Head of WA Navy Reserve Legal Panel. He has served as a council member of the Law Society of Western Australia for 7 years, a Convenor of the Law Society Education Committee and as a member of the Ethics and Professional Conduct Committees.

Mr Nash joined the board before the Company listed in 2008. He was appointed Chairman in August 2013.

Details of Mr Luke Atkins are as follows:

**Luke Atkins**, LLB (Non-Executive Director)

Mr Atkins previously practised as a lawyer and was the principal of Atkins and Co Lawyers, a Perth based legal firm which he owned and managed for seven years. Mr Atkins brings to the Company extensive experience in capital raising and public listed companies.

Mr Atkins is currently Chairman of ASX listed Altech Chemicals Limited (8 May 2007 to current) and has interests in a number of enterprises including agriculture, property development and hospitality. Mr Atkins was a former director of Reclaim Industries Limited.

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## **4. RESOLUTION 4 – APPROVAL TO AMEND PERFORMANCE RIGHTS**

### **4.1 Background**

On 10 November 2017, the Company approved:

- (a) the adoption of an employee incentive scheme titled Performance Rights Plan (**Plan**), the objectives of which are to attract, motivate and retain key employees, and provide selected employees with the opportunity to participate in the future growth of the Company; and
- (b) the issue of a total of 10,000,000 Performance Rights to the Directors (or their respective nominees) under the Plan to provide an incentive, which is aligned with shareholders' interests, to perform and secure the ongoing commitment of the board to the continued growth of the Company.

A performance right is a right to receive shares at a future date, subject to a performance hurdle being satisfied. If the performance hurdle is achieved, the performance rights vest and the holder automatically receives shares for no further consideration.

The Performance Rights were issued on 15 November 2017 on the terms and conditions set out in Schedule 1. The three classes of Performance Rights vest and convert into Shares on a one-for-one basis subject to the following performance hurdles:

Number of Performance Rights	Tranche	Performance Hurdle	Shares issued upon vesting
3,333,331	Tranche 1 Performance Rights	The 10 day VWAP of the Company's Shares exceeds 12.6 cents per share on 10 May 2019.	3,333,331
3,333,334	Tranche 2 Performance Rights	The 10 day VWAP of the Company's Shares exceeds 14.7 cents per share on 10 November 2019.	3,333,334
3,333,335	Tranche 3 Performance Rights	The 10 day VWAP of the Company's Shares exceeds 16.8 cents per share on 10 November 2020.	3,333,335

The Performance Hurdles were set at a 50%, 75% and 100% premium to the Share price on the date Shareholder approval was received (being \$0.084 per Share on 10 November 2017).

On 8 February 2018, the Company completed a return of capital of 5 cents per Share as announced on 15 December 2017 and approved by Shareholders on 30 January 2018, which resulted in a total of approximately \$10.7 million of value being realised and distributed to Shareholders (**Capital Return**).

The Performance Rights did not give holders any entitlement to participate in the Capital Return, however their terms and conditions include a provision that, if at any time, the issued capital of the Company is reorganised (including a return), all rights of the holders of the Performance Rights are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.

Accordingly, the underlying number of Performance Rights and the performance hurdles previously approved should be adjusted consistently with the intent of the terms of the issue of the Performance Rights to take account of the impact of the Capital Return on the value of the Performance Rights that were granted.

#### 4.2 Proposed Amendment

Consistently with the intent of the terms of the issue of the Performance Rights, they should be adjusted so as to reinstate the level of incentive value they had offered prior to the Capital Return. The Directors have received advice that the appropriate way to equitably adjust the Performance Rights in order to achieve that reinstatement of value is to:

- (a) Increase the number of Shares to be issued under the Performance Rights (**Adjustment A**); and
- (b) adjust the performance hurdles to reflect the reduction in the net tangible assets per Share which occurred as a result of the Capital Return (**Adjustment B**).

#### Adjustment A

It is proposed that the following adjustment formula be applied to the terms of the Performance Rights to adjust the number of Shares that will be allocated on vesting of each Performance Right:

$$AN = N \times \frac{SP}{(SP - CR)}$$

Where:

AN = The adjusted number of Shares to be allocated on vesting of a Performance Right

N = The number of Shares currently to be allocated on vesting of a Performance Right

SP = \$0.112, being the VWAP of Shares in the 5 Trading Days up to, but excluding, the ex-date for participation in the Capital Return

CR = \$0.05, being the cash amount per Share returned to Shareholders under the Capital Return

### Adjustment B

It is proposed to adjust the performance hurdles of the Performance Rights to reduce each Share price hurdle by the amount of 5 cents per Share, being the amount of the Capital Return.

These adjustments, namely **Adjustment A** and **Adjustment B** are collectively referred to as the "**Performance Rights Adjustments**".

The table below shows the effect of the proposed Performance Rights Adjustments on the relevant terms of the Performance Rights following approval of Resolution 4:

Number of Performance Rights	Tranche	Performance Hurdle	Shares issued upon vesting
3,333,331	Tranche 1 Performance Rights	The 10 day VWAP of the Company's Shares exceeds 7.6 cents per share on 10 May 2019.	6,021,501
3,333,334	Tranche 2 Performance Rights	The 10 day VWAP of the Company's Shares exceeds 9.7 cents per share on 10 November 2019.	6,021,507
3,333,335	Tranche 3 Performance Rights	The 10 day VWAP of the Company's Shares exceeds 11.8 cents per share on 10 November 2020.	6,021,508

No Shares will be allocated in respect of, and no additional Shares will be allocated as a result of the Performance Rights Adjustments to, any Performance Rights that do not vest (for example, because a Performance Hurdle is not met) in accordance with the Plan.

### 4.3 Listing Rules 6.23.3 and 6.23.4

The Performance Rights will be treated as options for the purposes of the Listing Rules. Listing Rule 6.23.3 applies in respect of changes affecting options and provides that a change which has the effect of increasing the number of securities received on exercise cannot be made.

The Performance Rights Adjustments will increase the number of Shares allocated on vesting of the Performance Rights.

ASX has granted the Company a waiver in respect of Listing Rule 6.23.3 to allow the Performance Rights Adjustments, subject to Shareholder approval being obtained in respect of the amendments.

Listing Rule 6.23.4 provides that a change that is not prohibited under Listing Rule 6.23.3 can only be made if holders of ordinary securities approve the change.

It is a condition of the waiver that the Company obtain Shareholder approval for the Performance Rights Adjustments. Accordingly, Shareholder approval is being sought pursuant to Resolution 4.

A voting exclusion statement in respect of Resolution 4 is set out in the Notice.

#### **4.4 Chapter 2E of the Corporations Act**

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, the Company must:

- (a) obtain Shareholder approval in the manner set out in section 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of additional Shares to the Directors (or their nominees) upon vesting of the Performance Rights following the Performance Rights Adjustments constitutes a financial benefit, and the Directors are related parties of the Company by virtue of being directors.

However, Shareholder approval is not sought for the Performance Rights Adjustments pursuant to Chapter 2E of the Corporations Act on the basis that the Performance Rights Adjustments are being made on terms that would be reasonable in the circumstances if the Company and the Directors were dealing at arm's length, given the adjustments are proposed with a view to ensuring holders of Performance Rights will not receive any advantage or disadvantage as a result of the Capital Return.

#### **4.5 Directors' Recommendation**

As all Directors have an interest in Resolution 4, no directors are able to give a recommendation.

The Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 4.

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## GLOSSARY

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**\$** means Australian dollars.

**Annual General Meeting** or **Meeting** means the meeting convened by the Notice.

**ASIC** means the Australian Securities and Investments Commission.

**Associated Body Corporate** means:

- (a) a related body corporate (as defined in the Corporations Act) of the Company;
- (b) a body corporate which has an entitlement to not less than 20% of the voting Shares of the Company; and
- (c) a body corporate in which the Company has an entitlement to not less than 20% of the voting shares.

**ASX** means ASX Limited.

**ASX Listing Rules** means the Listing Rules of ASX.

**Board** means the current board of directors of the Company.

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

**Capital Return** has the meaning given in Section 4.1.

**Chair** means the chair of the Meeting.

**Closely Related Party** of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001* (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

**Company** or **Bauxite Resources** means Bauxite Resources Limited (ACN 119 699 982).

**Constitution** means the Company's constitution.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Directors** means the current directors of the Company.

**Explanatory Statement** means the explanatory statement accompanying the Notice.

**Group Company** means the Company or any Associated Body Corporate.

**Key Management Personnel** has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

**Notice** or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

**Performance Right** means a performance right granted pursuant the Plan with the terms and conditions set out in the Company's notice of annual general meeting released to the ASX on 10 October 2017.

**Performance Rights Adjustments** has the meaning given in Section 4.2.

**Plan** means the employee incentive scheme titled Bauxite Resources Limited Performance Rights Plan adopted at the 2017 Annual General Meeting.

**Proxy Form** means the proxy form accompanying the Notice.

**Remuneration Report** means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2018.

**Resolutions** means the resolutions set out in the Notice, or any one of them, as the context requires.

**Section** means a section of the Explanatory Statement.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a holder of a Share.

**VWAP** means the volume weighted average price of the Company's Shares as traded on the ASX.

**WST** means Western Standard Time as observed in Perth, Western Australia.

## SCHEDULE 1 – TERMS AND CONDITIONS OF PERFORMANCE RIGHTS

A summary of the current terms and conditions of the Performance Rights issued to Directors under the Plan is set out below:

(a) **(Vesting Conditions):** The Performance Rights shall vest as follows:

Performance Rights	Performance Hurdle	Expiry Date
3,333,331 Tranche 1 Performance Rights	The 10 day VWAP of the Company's Shares is, on the T1 Expiry Date, 50% higher than the Share price on the date Shareholder approval is received for Resolutions 4 to 7 of the 2017 annual general meeting.	<b>T1 Expiry Date:</b> the date which is 18 months from the date Shareholder approval is received for Resolutions 4 to 7 of the 2017 annual general meeting.
3,333,334 Tranche 2 Performance Rights	The 10 day VWAP of the Company's Shares is, on the T2 Expiry Date, 75% higher than the Share price on the date Shareholder approval is received for Resolutions 4 to 7 of the 2017 annual general meeting.	<b>T2 Expiry Date:</b> the date which is 24 months from the date Shareholder approval is received for Resolutions 4 to 7 of the 2017 annual general meeting.
3,333,335 Tranche 3 Performance Rights	The 10 day VWAP of the Company's Shares is, on the T3 Expiry Date, 100% higher than the Share price on the date Shareholder approval is received for Resolutions 4 to 7 of the 2017 annual general meeting .	<b>T3 Expiry Date:</b> the date which is 36 months from the date Shareholder approval is received for Resolutions 4 to 7 of the 2017 annual general meeting.

(b) **(Vesting):** On satisfaction of the relevant performance criteria, the holder will be entitled to give notice to the Company Secretary in writing that the relevant Performance Rights have vested, provided that the holder remains employed by the Company at the time of giving such notice (**Vested Performance Rights**) and the Company shall, unless otherwise directed by the holder, issue the holder one share for each Vested Performance Right within 10 Business Days of receipt of such notice.

(c) **(Consideration):** The Performance Rights will be issued for nil cash consideration and no consideration will be payable upon the vesting of the Performance Rights.

(d) **Lapse of a Performance Right:** A Performance Right will lapse upon the earlier to occur of:

- (i) an unauthorised dealing in, or hedging of, the Performance Right;
- (ii) a vesting condition in relation to the Performance Right not being satisfied by the due date, or becoming incapable of satisfaction, as determined by the Board in its absolute discretion;

- (iii) a vested Performance Right is not exercised within 60 days of becoming vested;
  - (iv) a holder ceases to be an Eligible Participant, unless the Board exercises its discretion to vest the Performance Right under a good leaver exception;
  - (v) the Board deems that a Performance Right lapses due to fraud, dishonesty or other improper behaviour of the holder;
  - (vi) the Company undergoes a change in control or winding up, and the Board does not exercise its discretion to vest the Performance Right; and
  - (vii) the expiry date of the Performance Right.
- (e) **(Share ranking)**: All Shares issued upon the vesting of Performance Rights will upon issue rank pari passu in all respects with other Shares.
- (f) **(Listing of Shares on ASX)**: The Company will not apply for quotation of the Performance Rights on ASX. However, the Company will apply for quotation of all Shares issued pursuant to the vesting of Performance Rights on ASX within the period required by ASX.
- (g) **(Dividend and Voting Rights)**: Holders are not entitled to vote or to receive dividends as a result of their holding Performance Rights.
- (h) **(Participation in new issues)**: There are no participation rights or entitlements inherent in the Performance Rights and a holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights without exercising the Performance Rights.
- (i) **(Reorganisation of capital)**: If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of the holder of the Performance Rights are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.

**APPOINTMENT OF PROXY FORM  
BAUXITE RESOURCES LIMITED**

**ANNUAL GENERAL MEETING**

I/We

of

being a Shareholder entitled to attend and vote at the Meeting, hereby

appoint

Name of proxy

**OR:**  the Chair as my/our proxy

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at 11.30am (WST), on Friday 23<sup>rd</sup> November 2018 at Suite 10, 295 Rokeby Road, Subiaco, Western Australia, and at any adjournment thereof.

**The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.**

<b>Voting on business of the Meeting</b>	<b>FOR</b>	<b>AGAINST</b>	<b>ABSTAIN</b>
Resolution 1 – Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Re-Election of Director – Mr Robert Nash	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 – Re-Election of Director – Mr Luke Atkins	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 – Approval to Amend Performance Rights	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Please note:** If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

**Option 1: A voting prohibition statement and a voting exclusion statement apply to the Chair.**

**Important for Resolutions 1 and 4.**

If you have not directed your proxy how to vote as your proxy in respect of Resolutions 1 and 4 and the Chair is, or may by default be, appointed your proxy, you must mark the box below.

I/we direct the Chair to vote in accordance with his/her voting intentions (as set out above) on Resolutions 1 and 4 (except where I/we have indicated a different voting intention above) and expressly authorise that the Chair may exercise my/our proxy even though Resolutions 1 and 4 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel and acknowledge that the Chair may exercise my/our proxy even if the Chair has an interest in the outcome of Resolutions 1 and 4 and that votes cast by the Chair for Resolutions 1 and 4, other than as proxy holder, will be disregarded because of that interest.

If the Chair is, or may by default be, appointed your proxy and you do not mark this box and you have not directed the Chair how to vote, the Chair will not cast your votes on Resolutions 1 and 4 and your votes will not be counted in calculating the required majority if a poll is called on Resolutions 1 and 4.

If two proxies are being appointed, the proportion of voting rights this proxy represents is: \_\_\_\_\_ %

**Signature of Shareholder(s):**

**Individual or Shareholder 1**

Sole Director/Company Secretary

**Shareholder 2**

Director

**Shareholder 3**

Director/Company Secretary

**Date:** \_\_\_\_\_

**Contact name:** \_\_\_\_\_

**Contact ph (daytime):** \_\_\_\_\_

**E-mail address:** \_\_\_\_\_

**Consent for contact by e-mail:** YES  NO

## Instructions for Completing 'Appointment of Proxy' Form

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing instructions):**
  - **(Individual):** Where the holding is in one name, the Shareholder must sign.
  - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
  - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
  - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
  - (a) Bauxite Resources Limited, Suite 10, 295 Rokeby Road, Subiaco, WA 6008; or
  - (b) facsimile to the Company on facsimile number +61 8 9200 6299; or
  - (c) email to the Company at [smiddlemas@bauxiteresources.com.au](mailto:smiddlemas@bauxiteresources.com.au),so that it is received not later than 48 hours prior to commencement of the Meeting.

**Proxy Forms received later than this time will be invalid.**