



I M QUARRIES LIMITED

(Incorporated in the Republic of Singapore)
(UEN 201120428N | ARBN 154 095 897)

GRANT OF TWO CALL OPTIONS TO PURCHASE UP TO AN AGGREGATE OF 8,000,000 CHESS DEPOSITARY INTERESTS ISSUED BY THE COMPANY

The Directors of I M Quarries Limited (NSX: MLH) (the “**Company**”) are pleased to announce that on 9 November 2015 the Company had entered into two call option agreements (the “**Call Option Agreements**”) under which the Company granted a call option to each of Loh Chuun-Ming Bryan Philip (“**Bryan Loh**”) and Michael Lim Chung Khoon (“**Michael Lim**”) (collectively, the “**Investors**”).

Principal Terms of the Call Option Agreements

The principal terms of the Call Option Agreements are summarised below:

	<u>Call Option Agreement No.1</u>	<u>Call Option Agreement No.2</u>
Counter-party:	Bryan Loh	Michael Lim
Option Fee:	S\$1,000	S\$1,000
Number of shares:	Up to 4,000,000 CDIs	Up to 4,000,000 CDIs
Option Exercise Price:	A\$0.30 per CDI	A\$0.30 per CDI
Option Exercise Period:	From date of agreement to 5:00PM (Singapore time) on 9 November 2017	From date of agreement to 5:00PM (Singapore time) on 9 November 2017
Partial Exercise:	Permitted	Permitted
Multiple Exercise:	Permitted	Permitted
Escrow Arrangements:	Not subject to escrow restrictions	Not subject to escrow restrictions
Governing Law and Jurisdiction	Singapore	Singapore

Information on the Investors

Bryan Loh is a director and shareholder of Sanxing Pte Ltd, a Singapore incorporated company of more than 20 years standing. Its principal business is that of stockist and supplier of military-use automotive and aviation spare parts for the Singapore and ASEAN region markets. Sanxing Pte Ltd also supplies military equipment and defence systems.

Michael Lim is a company director cum private equity investor. He invests in both listed equities as well as start-up companies particularly in the manufacturing sector.

As of the date of the Call Option Agreements, the shareholdings of the Investors are as follows:

	No. of CDIs	% of Share Capital
Bryan Loh	60,000	0.08%
Michael Lim	1,195,000 ⁽¹⁾	1.55%

⁽¹⁾ Includes 400,000 and 95,000 CDIs held by his immediate family members and his nominee respectively

Effect on Capital Structure

Under the terms of the Call Option Agreements, when the call option is exercised (either in full or in any portion thereof), the Company is entitled in its absolute discretion to deliver either existing CDIs or to issue new CDIs. As of the date the Call Option Agreements were entered into, there are 20,505,299 forfeited CDIs held by the Company for re-issue. Therefore, it is the Company's current intention to complete any sale and purchase of CDIs under the Call Option Agreements with such forfeited CDIs held by the Company for re-issue, in which case, completion of any sale and purchase of any CDIs under the Call Option Agreements will not have any effect on the capital structure of the Company.

Use of Proceeds

If the Call Options are exercised in full, the proceeds raised from the sale of the shares will be A\$2,400,000. The proceeds will be utilised for the Company's investment in the Houyao Garnet Project and for working capital purposes.

Directors' and Substantial Shareholder's' Interests

Save for their interests in the Company, none of the Company's directors or substantial shareholders have any interest in the Call Option Agreements.

For and on behalf of
I M QUARRIES LIMITED



CHONG Hock Tat Robin
Managing Director
10 November 2015

An investment in securities issued by the Company (the "Securities") is highly speculative. Investors should exercise caution when dealing in the Securities. If you have question about the Securities or about any dealing in the Securities, you should consult your professional adviser. The fact that the Securities is listed on the NSX should not be taken in any way as an indication of the merits of the Securities.