



## AUSTRALIAN BAUXITE LIMITED

ASX: ABX

### About Australian Bauxite Limited ASX Code ABX

Australian Bauxite Limited (ABx) has started its first bauxite mine in Tasmania and holds the core of the Eastern Australian Bauxite Province. ABx's 37 bauxite tenements in Queensland, New South Wales & Tasmania exceed 5,000 km<sup>2</sup> and were rigorously selected for (1) good quality bauxite; (2) near infrastructure connected to export ports; & (3) free of socio-environmental constraints. All tenements are 100% owned, unencumbered & free of third-party royalties.

ABx's discovery rate is increasing as knowledge, technology & expertise grows.

The Company's bauxite is high quality gibbsite trihydrate (THA) bauxite & can be processed into alumina at low temperature – the type in short-supply globally.

ABx has declared large Mineral Resources at Inverell & Guyra in northern NSW, Taralga in southern NSW, Binjour in central QLD & in Tasmania confirming that ABx has discovered significant bauxite deposits including some of outstandingly high quality.

In Tasmania, at Bald Hill, the Company's first bauxite mine commenced operations on schedule on 9 December 2014 – the first new Australian bauxite mine for more than 35 years.

ABx aspires to identify large bauxite resources in the Eastern Australian Bauxite Province, which is emerging as a globally significant bauxite province. ABx has created significant bauxite developments in 3 states - Queensland, New South Wales and Tasmania. Its bauxite deposits are favourably located for direct shipping of bauxite to both local and export customers.

**ABx endorses best practices on agricultural land, strives to leave land and environment better than we find it.**

**We only operate where welcomed.**

#### Directors / Officers

Paul Lennon	Chairman
Ian Levy	CEO & MD
Ken Boundy	Director
Leon Hawker	Chief Operating Officer
Rob Williams	General Manager
Jacob Rebek	Chief Geologist
Henry Kinstlinger	Secretary

**ASX Symbol: ABX**

**Latest News:** [www.australianbauxite.com.au](http://www.australianbauxite.com.au)

### ABx maiden sale and shipping dates locked-in

ABx has sold bauxite into the fertiliser and cement markets at prices considerably higher than the currently over-supplied metallurgical bauxite market.

ABx is pleased to announce its maiden sale from ABx's Bald Hill mine - the first new bauxite project in Australia for more than 35 years. This maiden sale is for cement-grade bauxite, with shipping dates to start from 18 April for an initial despatch of 5,000 tonnes for immediate use in the last week of April. The customer is seeking a second, larger shipment of 30,000 to 40,000 tonnes once stockpile sites in the receiving port are approved. This is planned to occur within 2 months. The sale price is satisfactorily profitable but commercial-in-confidence.

ABx's CEO Ian Levy commented; "This is a significant step forward by ABx and is just reward for our supportive shareholders, brokers and advisers. These sales are part of a resilient marketing plan developed by COO, Leon Hawker and Logistics Manager, Paul Glover, both of whom have more than 40 years of senior experience in commodities marketing. ABx conducted test work during 2014 and 2015 to achieve cement and fertiliser industry technical specifications and can now sell into all 3 bauxite markets at the best prices and terms available. This sale into the cement market **delivers our budgeted profit margin** in stark contrast to the metallurgical market which is suffering from short-term weakness."

"ABx continues with its plan to use sales revenues, rather than capital raisings to fund the company's growth, including R&D into TasTech technology which allows ABx to separate Tasmanian bauxite into the 3 constituent product-types (see Figures 2 & 3):

1. High grade, ultra-cleaned metallurgical-grade bauxite for the aluminium industry;
2. Cement-grade bauxite for the manufacture of certified, high specification cement; and,
3. Fertiliser-grade bauxite for the fertiliser industry."

ABx and its marketing partner RawMin are continuing negotiations with metallurgical and cement-grade bauxite customers in China, India and the Middle East. RawMin has sold its own bauxite into these markets for 3 decades and has introduced ABx to several customers that require specialised bauxite, especially in the Middle East.

The Chinese market for imported metallurgical bauxite remains depressed by oversupply from inventories of cheap Malaysian bauxite that were accumulated in China in late 2015 and from a resale into the market of bauxite from Guinea, West Africa that was part of a failed take-or-pay contract into the USA. The

recent extension of bans on shipments of Malaysian bauxite until 15 July 2016 are not expected to substantially tighten the Chinese bauxite market but are encouraging nonetheless.

Due to the rapid deterioration of the metallurgical bauxite market, ABx has taken steps since December to conserve cash until its balance sheet strengthens from sales and other income, including a temporary suspension of production and haulage of bauxite products from its Bald Hill Bauxite Project at Campbell Town, Tasmania until new, irrevocable sales contracts are finalised (we won't be let-down again).

Routine rehabilitation and small tonnage sales of bauxite ex-mine will continue and the mine can quickly recommence production without delay.

## Mines & Transport in Tasmania

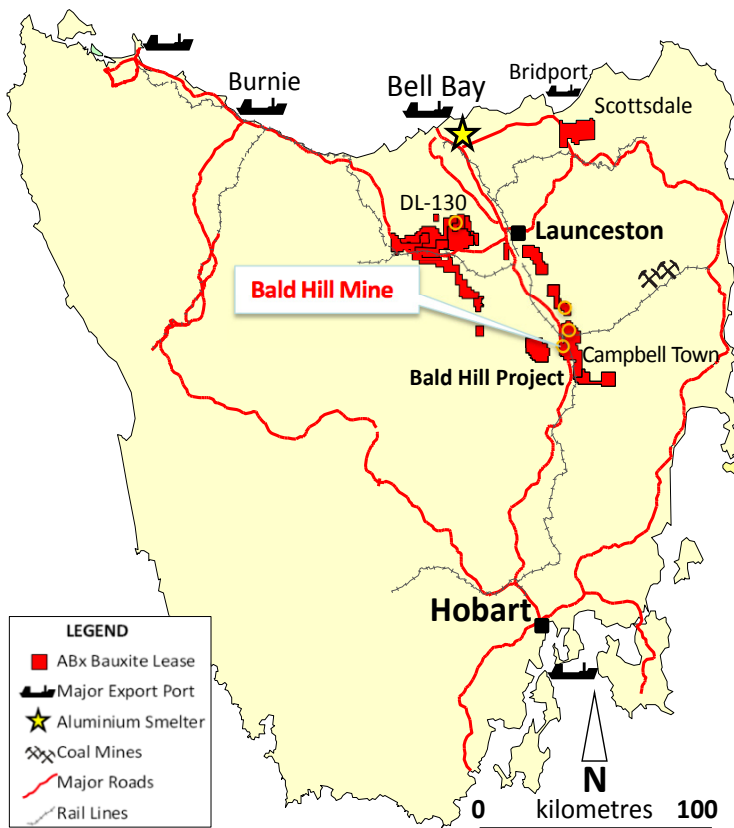


Figure 1

Map showing ABx mines and transport infrastructure in Tasmania, Australia. Pictures show (top to bottom):

1. Simple open pit mining at Bald Hill Bauxite Project near Campbell Town, northern Tasmania;
2. High quality rail transport from the Bald Hill mine to the Bell Bay Port by TasRail;
3. Efficient, low-dust transfer onto the berth stockpile at Port by QUBE Ports stevedores; and
4. The port stockpile of ABx bauxite, which currently exceeds 40,000 tonnes.

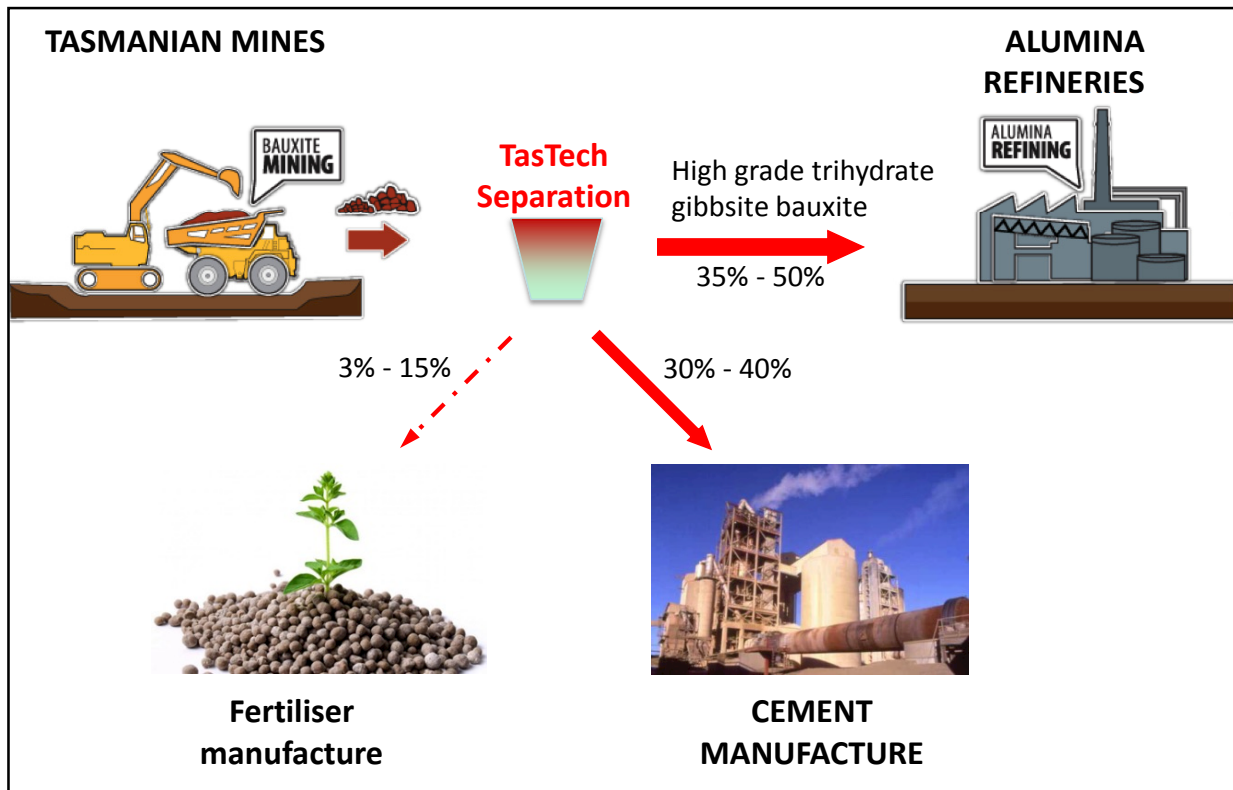


Figure 2

**TasTech's Role in ABx Marketing Strategy:** TasTech is a low-cost, 3-stage physical process that separates Tasmanian bauxite into its 3 constituent product-types, namely:

1. High grade, ultra-clean metallurgical-grade bauxite for the aluminium industry;
2. Cement-grade bauxite for the manufacture of certified, high specification cement; and,
3. Fertiliser-grade bauxite for the fertiliser industry.

#### Qualifying statements

The information in this report that relate to Exploration Information are based on information compiled by Jacob Rebek and Ian Levy who are members of The Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Rebek and Mr Levy are qualified geologists and Mr Levy is a director of Australian Bauxite Limited.

Mr Rebek and Mr Levy have sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Rebek and Mr Levy have consented in writing to the inclusion in this report of the Exploration Information in the form and context in which it appears.

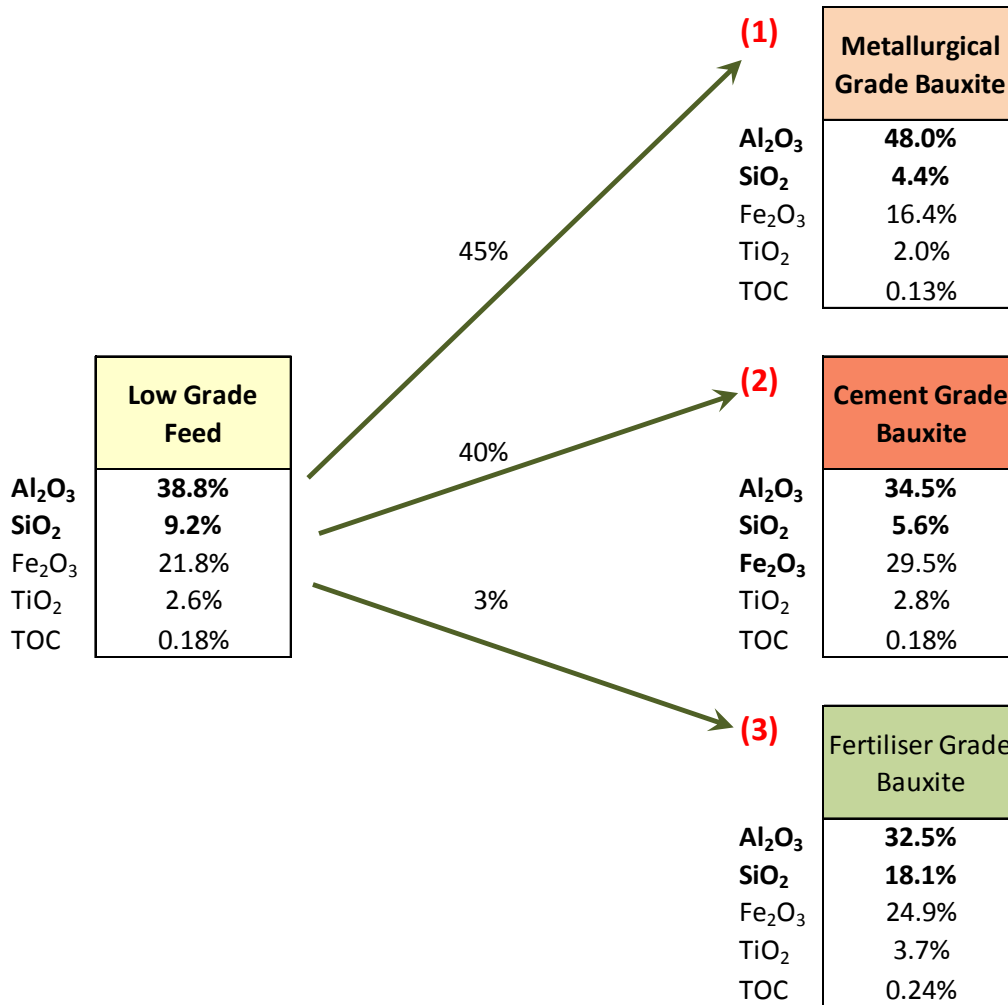


Figure 3:

Recent test results from TasTech separation of bauxite from Bald Hill into its 3 constituent product-types, namely:

1. High grade, ultra-clean metallurgical-grade bauxite for the aluminium industry;
2. Cement-grade bauxite for the manufacture of certified, high specification cement; and,
3. Fertiliser-grade bauxite for the fertiliser industry.

TasTech can adjust settings to produce certified bauxite products to suit the customers' specifications.

For further information please contact:

Ian Levy, CEO and MD  
Australian Bauxite Limited

Telephone: +61 (0) 2 9251 7177  
Mobile: +61 (0) 407 189 122