



AUSTRALIAN BAUXITE LIMITED
ASX: ABX

About Australian Bauxite Limited

ASX Code ABX Web: www.australianbauxite.com.au

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 km² 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.

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
Henry Kinstlinger	Secretary
Leon Hawker	Chief Operating Officer
Rob Williams	General Manager
Jacob Rebek	Chief Geologist

QUARTERLY REPORT TO 31 MARCH 2016

Quarterly report & activities statement dated 29 April 2016 for 3 months to 31 March 2016

PRINCIPAL POINTS

Corporate

- Group available cash at 31 March 2016 was in the order of \$0.73 million
- Current group available cash is in the order of \$1.01 million
- Increasing sales revenues can fund company growth, including R&D into TasTech technology which allows ABx to separate Tasmanian bauxite into 3 product-types (see Figs 15 & 16)

Operations & Exploration

- **Maiden bauxite shipment** of 5,557 tonnes of cement-grade bauxite was despatched on 28 April. This is the first sale of bauxite from ABx's Bald Hill mine - the first new bauxite project in Australia for more than 35 years
- **Cement grade bauxite sales** of a further 30,000 to 40,000 tonnes are planned within 2 months
- **Fertiliser-grade bauxite sales** are continuing at low tonnages
- **New markets are being explored** involving several new uses for bauxite, all of which require clean bauxite like ABx's
- **R&D by ABx has discovered** an all-weather technology (dubbed "TasTech") that can produce 3 bauxite product types at good tonnages all year round, namely
 1. high grade metallurgical-grade gibbsite bauxite exceeding 45% Al₂O₃ for the aluminium industry
 2. cement-grade bauxite for the production of cement
 3. fertiliser-grade and other bauxite-types.

Bauxite Markets

- **Markets for metallurgical bauxite** used for alumina and aluminium are experiencing an ongoing deep correction since December due to a flood of cheap Malaysian bauxite and dumping of bauxite from Guinea in West Africa.
- **Cement-grade and Fertiliser-grade markets** are strong.

Assessment of Binjour Bauxite Project, Queensland

- Binjour project area covers several hundred kilometres from the large Binjour resource, 115km inland from Bundaberg Port, to the high grade Brovinia bauxite plateau south of Mundubbera in central Queensland.

- ABx is re-assessing the optimum way to develop this state-significant new bauxite province with potential to become the flagship project for ABx over the next few years.
- Early assessment results show that resilience against downturns in the metallurgical bauxite market requires production rates exceeding 1.5 million tonnes per annum.
- A staged development commencing with cement-grade production at 150,000 to 550,000 tonnes per annum, using existing infrastructure appears to be an attractive, low-risk option for the Binjour project.
- Discussions have begun with companies holding adjacent bauxite-bearing tenements to determine if additional economies of scale are worthwhile.

Tenement status

- All tenements are in good standing and 100% owned.

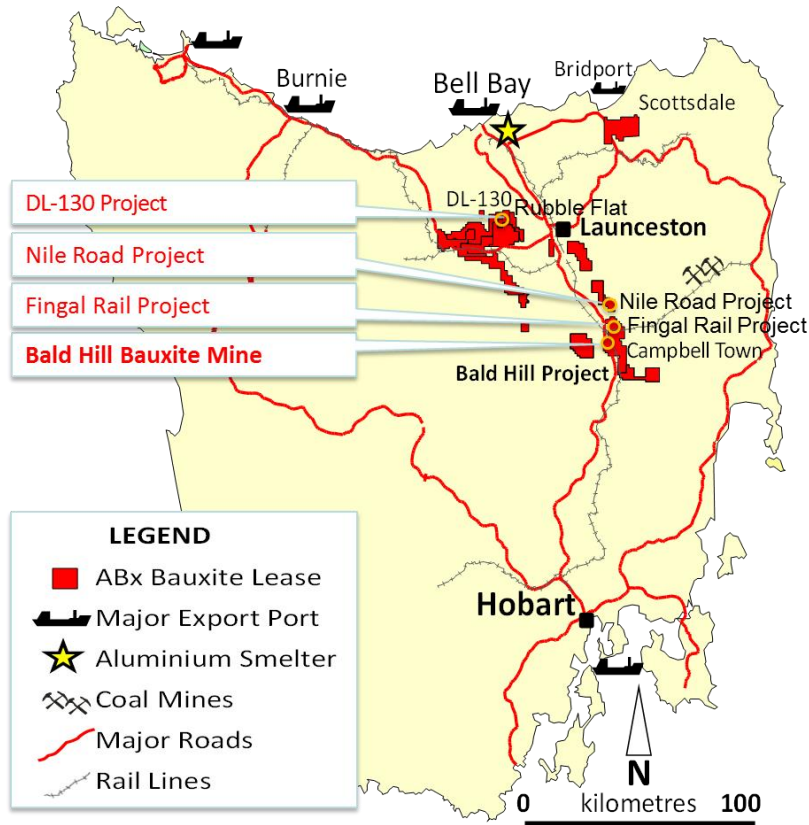


Figure 1: Location of Bald Hill Mine and other bauxite projects in Tasmania & Tasmanian infrastructure

Mine Operations

In mid January 2016, operations were suspended until the port stockpile is sold and shipped. Once additional sales contracts are finalised, ABx and its contractors can reopen the Bald Hill Bauxite Project within two weeks. Rehabilitation and sales of bauxite from existing stockpiles at the mine will continue.

Project summary: cumulative to date		6 months to 30 June 2015	To 30 September 2015	To 31 December 2015	To 31 March 2016
Ore mined - all types	tonnes ore	115,000	145,000	215,000	235,000
Screened	tonnes ore	51,000	88,000	165,000	173,000
Produced	tonnes bauxite & tonnes stored*	20,000	46,000	63,300	68,400
Mine stockpile	tonnes bauxite	17,000	23,900	17,300	22,857
Port stockpile	tonnes bauxite	15,500	13,900	5,500	10,600
In transit to port	tonnes bauxite	4,000	8,800	40,500	34,943
Shipments	tonnes bauxite	0	3,000	0	0
Other sales	tonnes bauxite	0	0	0	5,557
		0	225	502	390

* Stored bauxite to be rescreened to customer specifications



Figure 2:
Good grade face of bauxite ore, Pit MB4



Figures 3 & 4: Bench mining & dry-screening

ABx bauxite has proven ideal for transport & handling

ABx bauxite product is a dry-screened dust-free aggregate, ideal for transport by road, rail and sea. During the 6 months of transport, no ABx bauxite hung up in the trucks, the open rail containers and during handling at the port.

The bauxite product is dry and exceptionally clean due to rigorous processing by Stornoway contractors at Bald Hill mine, careful transport pit-to-port by TasRail and professional port handling by QUBE Ports. This careful handling, combined with excellent chemistry makes ABx bauxite ideal for a range of customers, including several in emerging markets which have recently requested samples for testing.



Figures 5, 6 & 7 (left)

TasRail transport operations have run seamlessly, pit to port



Bauxite Train to Bell Bay Port

Figure 8 (right)

Bauxite stockpile at Bell Bay Port

The walls of old containers form a wind break

Note rail entering into Bell Bay Port in foreground.

Ships berth at the concrete wharf.



The grades of the stockpile are listed in Appendix 1.



Figure 9: Maiden Ship on arrival at Bell Bay Port 27 April 2016



Figure 10: Loading of maiden bauxite shipment at midnight. Ship loading was completed at 6.20am 28 April 2016

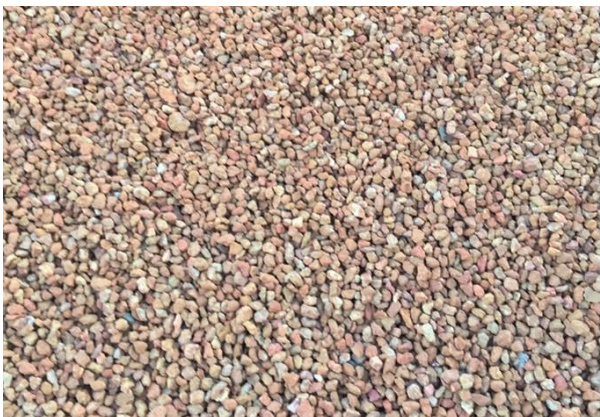


Figure 11: Close-up of the stockpiled bauxite



Figure 12: Dust-free during loader handling

Diversified Marketing Strategy Reduced Market Risk

ABx had 3 marketing plans A, B & C. Plans A & B were to sell metallurgical bauxite to the alumina refineries in China and India respectively but in November 2015, both markets closed to new entrants. Plan C was developed in 2014 to sell into the Cement and Fertiliser industries, which required testwork to achieve the special standards required by each customer. ABx's bauxite proved ideal for a wide range of applications. Product qualities will be further enhanced via our TasTech technology – see following.



TasTech Technology Can Increase Revenue & Further Reduce Market Risk

The core objective of TasTech is to extract 3 constituent bauxite types from Tasmanian bauxite:

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.

The technology involves a specific mining process to pre-prepare the broken bauxite ore for screening. Once a large proportion of clays are removed by simple screening,

The Tasmanian bauxite naturally breaks along the boundaries of lumps and particles which each have their own separate chemistry and physical properties which allows them to be cleaned thoroughly and separated by low-cost physical processes into the 3 separate bauxite types..

Figures 15 and 16 summarise the process and the results achieved to date.

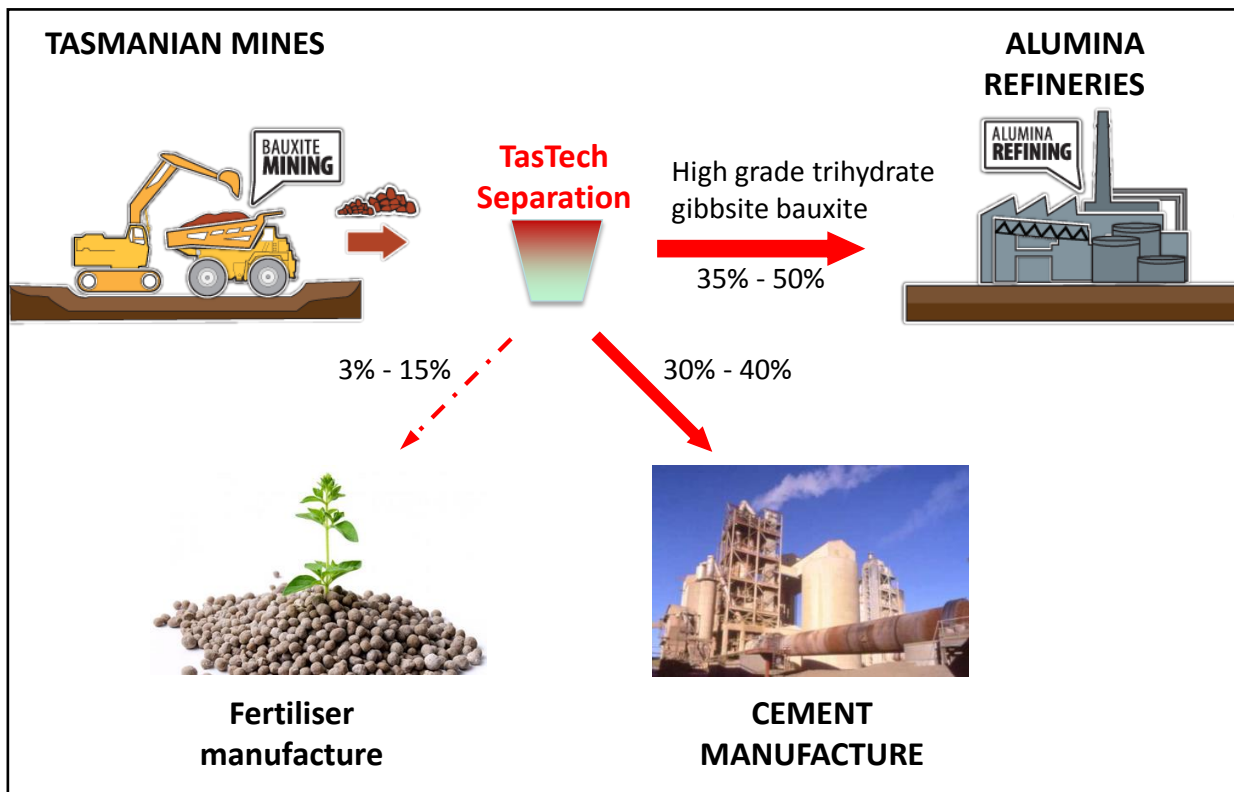


Figure 15: TasTech's Role in ABx Marketing Strategy: TasTech is a low-cost, 3-stage physical process that separates Tasmanian bauxite into its 3 constituent product-types: metallurgical bauxite. Cement-grade bauxite and fertiliser-grade bauxite.

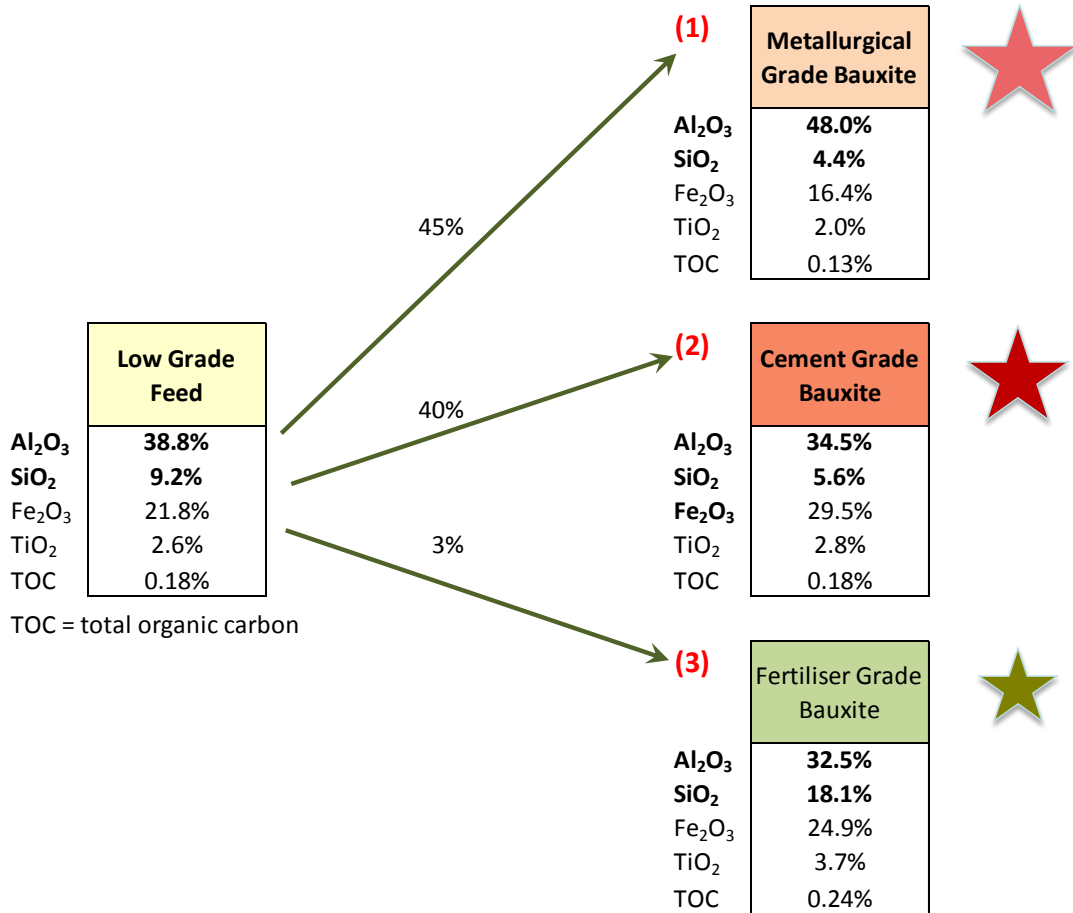


Figure 16: Recent test results from TasTech separation of Bald Hill bauxite into its 3 constituent product-types, namely:

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.

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

For further information please contact:

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Australian Bauxite Limited

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

Qualifying statements

The information in this report that relates to Exploration Information and TasTech is 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 (JORC Code). Mr Rebek and Mr Levy have consented in writing to the inclusion in the report of the Exploration Information in the form and context in which it appears.

Market summary to 31 March '16: China's metallurgical bauxite imports & prices weaken due to oversupply of cheap Malaysian bauxite & dumping of bauxite from Guinea, West Africa

- Tonnages are down 28% on December 2015. Malaysia down 28% but still at 1.3Mt despite “bans”
- Average prices CIF China is 14% lower than a year ago at US\$47.54/t & 15% down to A\$62.09/t
- Bauxite from **Guinea is flooding into China**: 0.94Mt averaging a remarkably low US\$50.32/t CIF price.
- Indian bauxite prices flat at US\$56.48/t but Indian tonnes are **down 32%** to 675,000 tonnes in March.

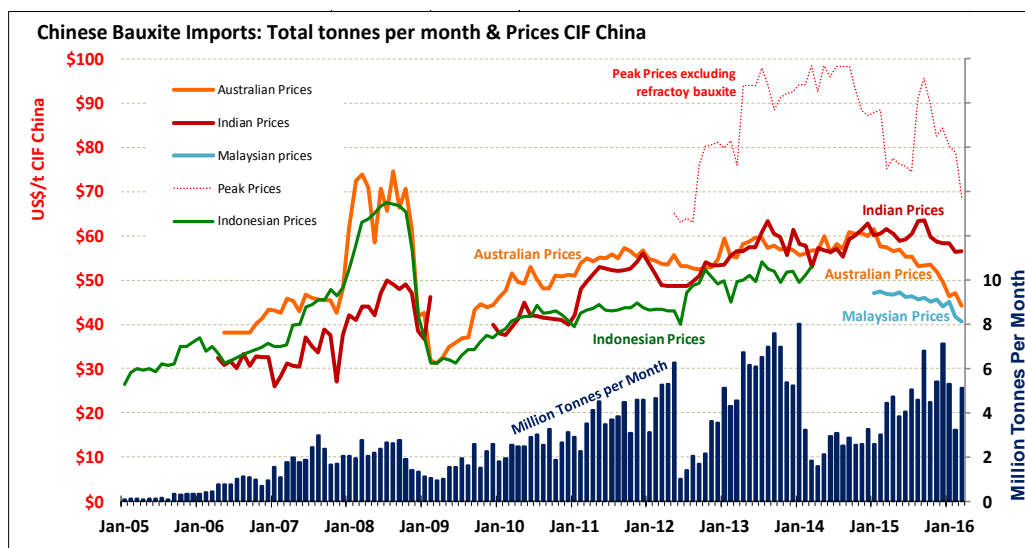


Figure 17
Monthly tonnes & prices of metallurgical bauxite imports into China to 31 March 2016

Australian Prices for bauxite from Weipa & Gove have fallen significantly by 28% from US\$61.57 in January 2015 to US\$44.28 in March 2016 (see orange price line in figure 17 above).

Indian bauxite tonnages have fallen by 32% since December to 675,000 tonnes but prices are stable at US\$56.48/t. Indian-type gibbsite-trihydrate bauxite offsets negative process effects from cheaper bauxite but Chinese refineries are now using unusually cheap, higher grade Guinea bauxite in place of Indian bauxite. This higher-grade bauxite from Guinea is mainly being dumped from a failed take-or-pay contract and will take many months to be consumed.

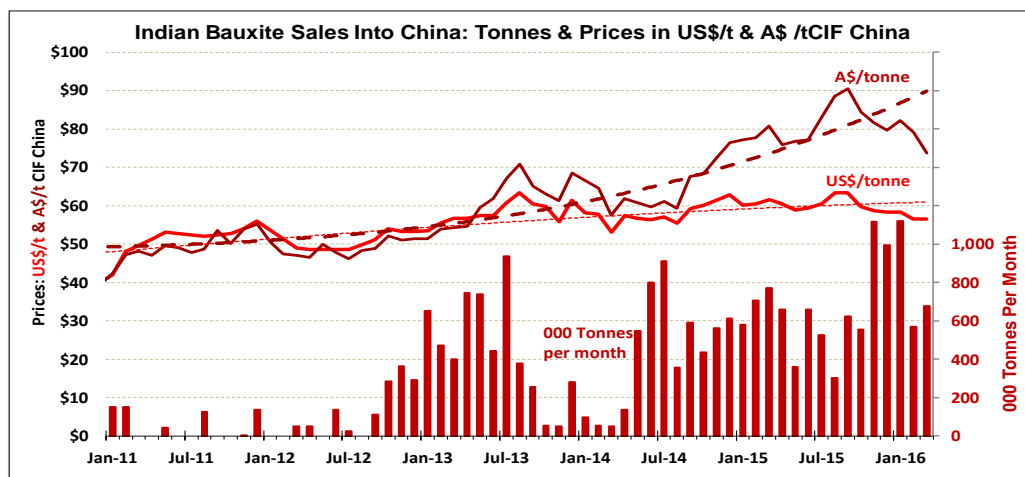


Figure 18
Monthly tonnes & prices of Indian metallurgical bauxite imports into China to 31 March 2016

Bauxite from Guinea in West Africa is flooding into China at unprecedented tonnages and at low prices because of two new market developments:

1. China's Weiqiao has opened a new mine & port in Guinea; and
2. A take-or-pay sales contract from Guinea into a recently closed American refinery is being dumped back onto the market. ABx think this dumped bauxite is a major cause of the jump in tonnage and price fall from Guinea in March – see table to the right.

Bauxite prices from Ghana in West Africa have also fallen 28% from US\$95.55/t in September 2015 to US\$69.49 in March 2016.

Guinea	Tonnes	Value US\$000's	US\$/t
Nov-15	160,631	\$9,197	\$57.26
Dec-15	113,076	\$7,305	\$64.60
Jan-16	431,651	\$26,147	\$60.57
Feb-16	324,234	\$18,452	\$56.91
Mar-16	937,061	\$47,139	\$50.31

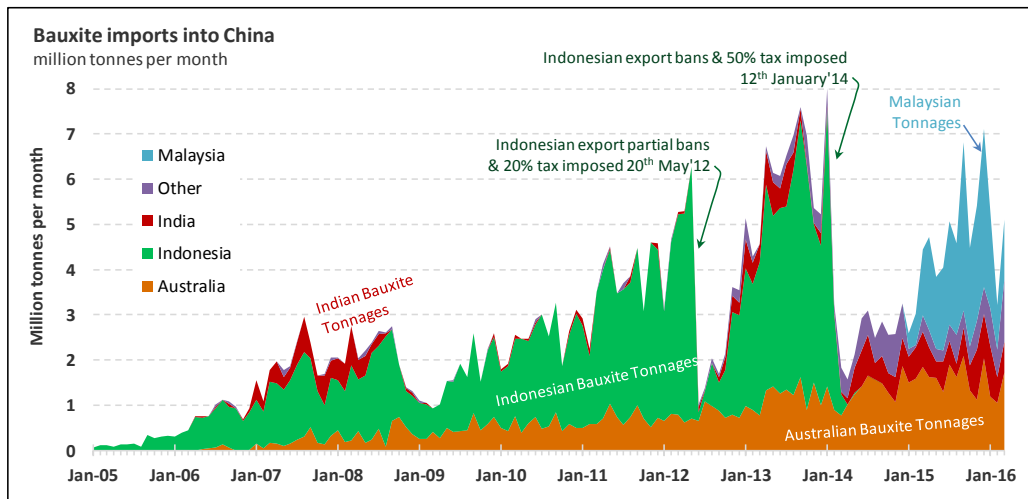


Figure 19

Monthly tonnes of metallurgical bauxite imports into China to 31 March 2016 by country of origin

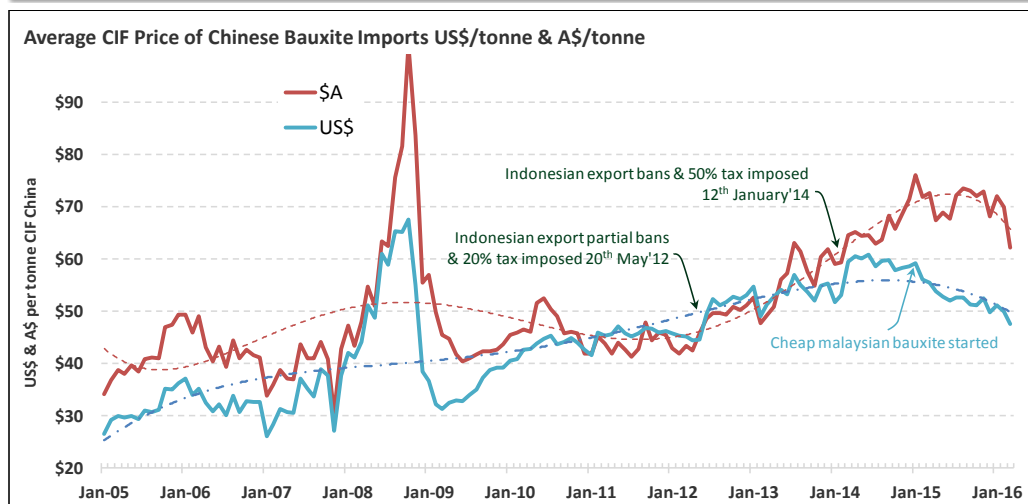


Figure 20

Monthly average prices of metallurgical bauxite imports into China to 31 March 2016 in US\$ and A\$ CIF China

Malaysian tonnages have fallen 62% from 3.5Mt in December to 1.3Mt in March – still high despite government “bans” which are not very effective. Cheap Malaysian bauxite flooded into China in 2015 and created the largest market disruption since seaborne trading of bauxite began.

Gibbsite-trihydrate bauxite demand has tightened most – Technical Explanations

Gibbsite-rich trihydrate (THA) bauxites like Indian, Malaysian, Gove, Guinea and ABx bauxite is in strongest demand because it can be processed at “low temperature” around 140°C thus achieving cost savings. Other bauxite can be “high-temperature” bauxite, often called MHA or monohydrate bauxite that must be processed at above 245°C at higher cost than the low-temperature refineries. Gibbsite is the alumina trihydrate mineral which dissolves at 140°C whilst the MHA-bauxites contain alumina monohydrate minerals boehmite or diaspore that dissolve at above 245°C.

ABx bauxite can also increase its value by lowering its content of SiO₂ which consumes caustic soda and has other processing problems. ABx bauxite is “clean” - free of radioactivity, CaO, P₂O₅ and all deleterious elements.

Australian Bauxite Limited plans to ship low temperature, gibbsite bauxite with low SiO₂ from its Tasmanian mines and eventually building a very large bauxite project at Binjour in central QLD, 115kms inland from Bundaberg to export exceptionally high quality gibbsite-trihydrate bauxite.

ABx aspires to become one of the largest suppliers of engineered bauxite for the aluminium industry, the cement industry and fertiliser industry in the Indo-Pacific region over the next 6 years, specialising in the gibbsite-rich trihydrate bauxite market niche when metallurgical bauxite markets stabilise again.

Medium-Term Marketing Strategy: Until metallurgical bauxite markets stabilise, ABx will focus on sales of Cement-Grade, Fertiliser-Grade and other non-metallurgical bauxite markets, with an emphasis on customers that require strict Quality Control and assured technical specifications.

ABx’s current cement-grade customer is such a customer but the detailed terms of the sales are commercial-in-confidence. The future tonnage demand remains uncertain but overall, the demand for bauxite cement is growing world-wide – as is the demand for fertiliser-grade bauxite as fertiliser demand grows.



The Binjour Project is taking shape

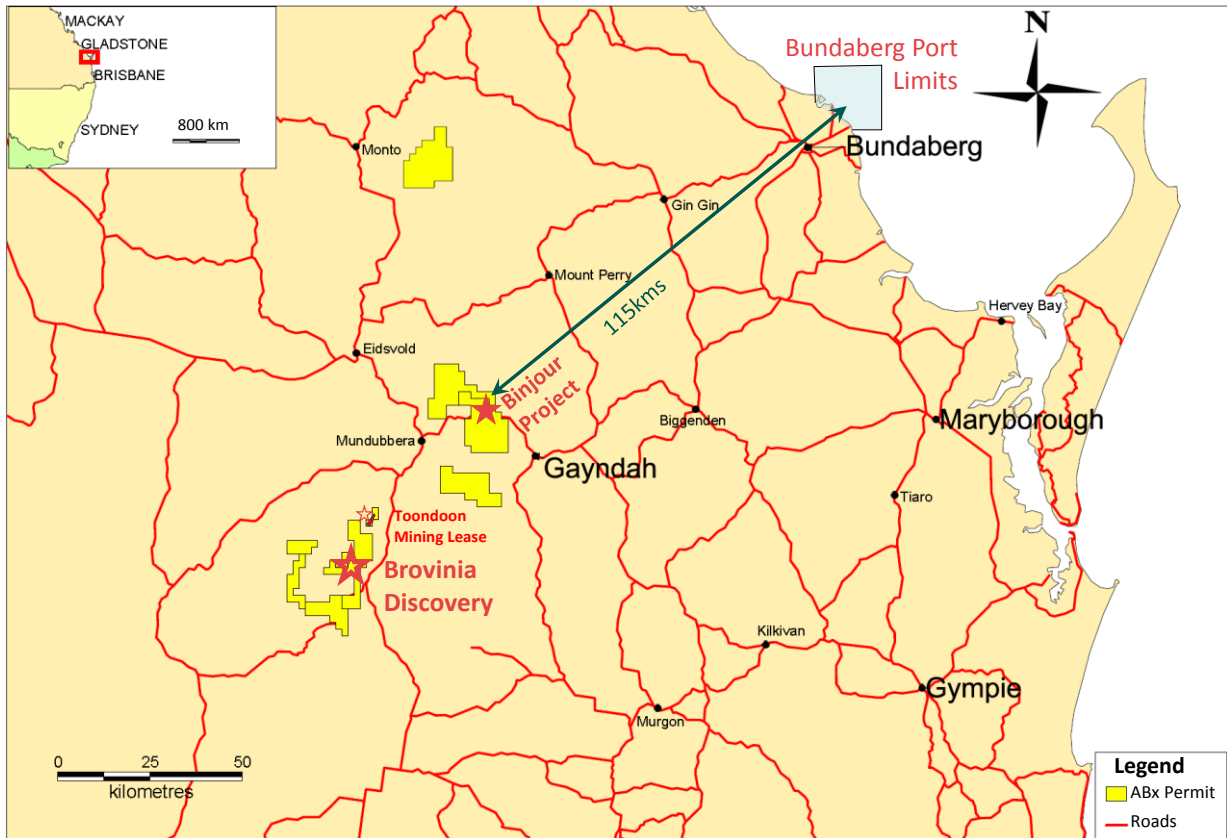


Figure 21: Location of Binjour Project, Brovinia Discovery, Toondoon Mining Lease and Infrastructure, Central QLD

Binjour project area covers 100 kilometres, extending from the large Binjour resource, which is located 115km inland from Bundaberg Port, to the high grade Brovinia bauxite plateau 50 kilometres south of Mundubbera in central Queensland.

Strategic Reassessment

ABx is re-assessing the optimum way to develop this state-significant new bauxite province with potential to become the flagship project for ABx over the next few years. This reassessment arises from two new developments:

1. The weakening of the metallurgical bauxite market over the last six months; and
2. The strengthening of the demand for non-metallurgical bauxite in other markets, including for bauxite cement, fertiliser and other specialist usage. Margins in these markets are satisfactory and demand is growing quite strongly but from a small base, so that the total tonnage demand is lower than for metallurgical bauxite.

Early assessment results show that resilience against downturns in the metallurgical bauxite market requires production rates exceeding 1.5 million tonnes per annum so as to be a low-cost producer of metallurgical bauxite.

A staged development commencing with cement-grade production at 150,000 to 550,000 tonnes per annum, using existing infrastructure appears to be an attractive, low-risk option for the Binjour project.

Discussions have begun with companies holding adjacent bauxite-bearing tenements to determine if additional economies of scale are worthwhile.

Resource Statement, Definitions and Qualifying Statement

Tabulated below are the Mineral Resources for each ABx Project. The initial ASX disclosure for these Resources is given in the footnotes to the table. Refer to these announcements for full details of resource estimation methodology and attributions.

Table 1: ABx JORC Compliant Resource Estimates

Region	Resource Category	Million Tonnes	Thick-ness	Al ₂ O ₃	SiO ₂	A/S	Fe ₂ O ₃	TiO ₂	LOI	Al ₂ O ₃ Avl @ 143°C	Rx SiO ₂	Avl/Rx	Lab Yield	O'Bur den	Int. Waste
				%	%	ratio	%	%	%	%	%	%	ratio	%	m
CAMPBELL TOWN AREA TASMANIA ⁷	Inferred	1.8	3.0	42.6	3.5	12	25.4	3.5	24.6	36.7	3.0	12	50	2.1	0.1
	Indicated	1.7	3.2	42.5	3.2	14	26.4	3.0	24.5	36.2	2.8	14	55	1.8	0.1
	Total	3.5	3.1	42.5	3.3	13	25.9	3.3	24.5	36.5	2.9	13	52	2.0	0.1
DL-130 AREA TAS ¹	Inferred	5.7	3.8	44.1	4.3	10	22.8	3.1	25.0	37.6	3.2	12	55	1.5	0.1
	Total Tas	9.2	3.5	43.5	3.9	11	24.0	3.2	24.8	37.2	3.1	12	54	1.7	0.1
BINJOUR QLD ²	Inferred	9.0	3.9	43.7	4.5	10	22.4	3.6	24.2	38.0	3.8	10	59	8.2	0.3
	DSO Indicated	15.5	5.3	44.2	3.1	15	23.4	3.7	24.9	39.5	2.6	15	62	9.4	0.3
	Total	24.5	4.8	44.1	3.6	12	23.1	3.7	24.6	39.0	3.0	13	61	8.9	0.3
TOONDOON QLD ³	Inferred	3.5	4.9	40.2	7.2	6	25.3	4.9	21.7	32.8	5.2	6	67	1.5	0.0
TARALGA S. NSW ⁴	Inferred	9.9	3.1	40.4	5.7	7	24.6	4.1	22.2	35.2	1.9	18	54	0.1	0.2
	Indicated	10.2	3.7	41.3	5.3	8	25.9	4.0	22.9	36.1	1.9	19	55	0.7	0.4
	Total	20.1	5.6	40.8	5.5	7	25.3	4.0	22.6	35.7	1.9	19	55	0.5	0.3
PDM-DSO*	Inferred	7.6	2.5	37.0	6.0	6	38.4	3.5	13.3	22.1*	1.3	17	72	0.2	0.1
	Indicated	10.3	3.1	37.6	3.9	10	40.4	3.7	13.5	22.4*	1.1	20	71	0.7	0.4
	Total	17.8	5.8	37.3	4.8	8	39.6	3.6	13.5	22.3*	1.2	18	72	0.5	0.3
Total Taralga	37.9	5.7	39.2	5.2	8	32.0	3.8	18.3	35.4	1.6	23	63	0.5	0.3	
INVERELL N. NSW ⁵	Inferred	17.5	4.7	39.8	4.8	8	27.7	4.3	22.2	31.0	4.2	7	61	2.3	
	Indicated	20.5	4.8	40.6	4.7	9	26.9	4.1	22.5	32.0	4.0	8	60	2.4	
	Total	38.0	4.8	40.2	4.7	9	27.3	4.2	22.4	31.6	4.1	8	61	2.4	
GUYRA N. NSW ⁶	Inferred	2.3	4.2	41.4	3.6	12	26.2	3.3	24.6	35.0	2.8	13	56	3.4	
	Indicated	3.8	5.9	43.1	2.6	16	27.3	3.9	24.5	37.4	2.0	18	61	4.4	
	Total	6.0	5.3	42.5	3.0	14	26.9	3.7	24.5	36.5	2.3	16	59	4.0	

GRAND TOTAL ALL AREAS 119.1

* PDM is Al₂O₃ spinel. Al₂O₃ Avl at 225°C is >35%

Explanations: All resources 100% owned & unencumbered. Resource tonnage estimates are quoted as in-situ, pre mined tonnages. All assaying done at NATA-registered ALS Laboratories, Brisbane. **Chemical definitions:** Leach conditions to measure available alumina "Al₂O₃ Avl" & reactive silica "Rx SiO₂" is 1g leached in 10ml of 90gpl NaOH at 143°C for 30 minutes. LOI = loss on ignition at 1000°C. "Avl/Rx" ratio is (Al₂O₃ Avl)/(Rx SiO₂) and "A/S" ratio is Al₂O₃/SiO₂. Values above 6 are good, above 10 are excellent. Tonnage is for bauxite in-situ. **Lab Yield** is for drill dust samples screened by ALS lab at 0.26mm. Production yields are not directly related and are typically between 60% and 75%. Tonnages requiring no upgrade will have 100% yield. **Resource estimates exclude** large tonnages of potential extensions, overburden & interburden detrital bauxite and underlying transitional bauxite mineralisation. Production will clarify these materials.

Tabulated Resource numbers have been rounded for reporting purposes. The Company conducts regular reviews of these Resources and Reserve estimates and updates as a result of material changes to input parameters such as geology, drilling data and financial metrics. **Global Mineral Resources declared to 24/03/2015 total 119.1 million tonnes.** Explanatory notes and prior resource statements are summarised as follows:

Avl Al₂O₃ = available Al₂O₃ at 143°C Rx = reactive SiO₂ Avl/Rx = available alumina to reactive silica ratio, A/S = alumina/silica ratio, LOI = loss on ignition, OB = overburden, Int W = internal waste, DSO = Direct Shipping Bauxite, PDM = poorly diffracting material (under XRD), Lab Yield = wet screen yield from drill dust
 The information above relates to Mineral Resources previously reported according to the JORC Code (see Competent Person Statement) as follows:

¹ Maiden Tasmania Mineral Resource, 5.7 million tonnes announced on 08/11/2012

² Binjour Mineral Resource, 24.5 million tonnes announced on 29/06/2012

³ QLD Mining Lease 80126 Maiden Resource, 3.5 million tonnes announced on 03/12/2012

⁴ Goulburn Taralga Bauxite Resource Increased by 50% to 37.9 million tonnes announced on 31/05/2012

⁵ Inverell Mineral Resource update, 38.0 million tonnes announced on 08/05/2012

⁶ Guyra Maiden Mineral Resource, 6.0 million tonnes announced on 15/08/2011

⁷ Initial resources for 1st Tasmanian mine, 3.5 million tonnes announced on 24/03/2015



Governance arrangements and internal controls – Mineral Resources

ABx has ensured that the Mineral Resource estimates quoted above are subject to governance arrangements and internal controls. The resource estimates have been externally derived by an independent consulting organisation whose staff have exposure to best practice in modelling and estimation techniques. Geology models have been generated by ABx staff and have been reviewed by the external resource consultant. The consultant has also carried out reviews of the quality and suitability of the data underlying the Mineral Resource estimate. In turn, ABx management and executives have carried out numerous internal reviews of the Mineral Resource estimate to ensure that it honours the ABx geological model and has been classified and reported in accordance with the JORC Code (2004) and in the case of Tasmania in accordance with the JORC Code (2012).

ABx confirms in this report that it is not aware of any new information or data that materially affects the information included in the previously released reports. In the case of estimates of Mineral Resources or Ore Reserves, the company confirms that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

Direct Shipping Bauxite or “Direct Shipping “Ore”

All references in this report to direct shipping bauxite or direct shipping ore (DSO) refers to the company’s exploration objective of defining or identifying DSO grade mineralisation.

True Width

The true-width of the deposit is not known and will be determined by further resource definition drilling.

Definitions

DSO bauxite	Bauxite that can be exported directly with minimal processing
Averaging method	Aggregated average grades in the tables are length-weighted averages of each sample’s length & grades.

Qualifying statements

General

The information in this report that relate to Exploration Information and Mineral Resources 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.

Mainland

The information relating to Mineral Resources on the Mainland was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

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 2004 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.

Tasmania

The information relating to Exploration Information and Mineral Resources in Tasmania has been prepared or updated under the JORC Code 2012.

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.



Tenement information required under LR 5.3.3.

Tenement No.	Location
New South Wales	
EL 6997	Inverell
EL 7361	Guyra
EL 7597	Merriwa - 2
EL 7950	Merriwa Extension
EL 7858	Stannifer
EL 8097	Coolah
EL 8130	Old Mill
EL 7269	Windellama
EL 7279	Wingello West
EL 8370	Penrose Forest
EL 7357	Taralga
EL 7681	Taralga Extension
EL 7546	Penrose
Queensland	
EPM 17790	Hampton
EPM 17830	Haden
EPM 17831	Hillgrove
EPM 18014	Binjour
EPM 18772	Binjour Extension
ML 80126	Toondoon ML
EPM 25146	Toondoon EPM
EPM 19390	Brovinia
EPMA 19427	Brovinia 2

EPM 25787	Harrami
Tasmania	
EL 4/2010	Evandale
EL 6/2010	Cleveland
EL 7/2010	Conara
EL 9/2010	Deloraine
EL 37/2010	Westbury
EL 3/2012	Ross
EL 12/2012	Scottsdale
EL 16/2012	Reedy Marsh
ML 1961 P/M	Bald Hill Bauxite
EL 18/2014	Prosser's Road

Note:

During the quarter, no tenements were granted, acquired or disposed

All tenements are 100% owned and not subject to Farm-in or Farm-out agreements, third-party royalties nor encumbered in any way.

Qualifying statement

The information in this announcement that relate to Exploration Information is 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 Resources. Mr Rebek and Mr Levy have consented to the inclusion in this announcement of the Exploration Information in the form and context in which it appears.

Disclaimer Regarding Forward Looking Statements

This ASX announcement (Announcement) contains various forward-looking statements. All statements other than statements of historical fact are forward-looking statements. Forward-looking statements are inherently subject to uncertainties in that they may be affected by a variety of known and unknown risks, variables and factors which could cause actual values or results, performance or achievements to differ materially from the expectations described in such forward-looking statements.

ABx does not give any assurance that the anticipated results, performance or achievements expressed or implied in those forward-looking statements will be achieved.



APPENDIX

Tasmanian Bauxite Product Definition Sheet: Maiden Cargo

Specifications of the current maiden shipment stockpile at Bell Bay port based on ISO-compliant sampling and assaying are as follows:

Tonnage: 40,000 tonnes at port ready for loading

Moisture: 8%

Sizing: 15mm to 100mm

Shipping specification is Group C with all export approvals in place.

Loadrate: 10,000 MT pwwd SHINC

Chemistry:

Al ₂ O ₃	%	42%
SiO ₂	%	5.88%
Reactive SiO ₂	%	5.1%
Mono-hydrate	%	< 1.5%
Fe ₂ O ₃	%	24.80%
TiO ₂	%	2.90%
CaO	%	0.05%
MgO	%	0.08%
SO ₃	%	0.35%
LOI	%	24%

ABx bauxite has excellent SETTLING performance in the circuit and in the red mud tailings

It can help solve frothing issues when included in the bauxite blend.

It produces excellent refinery liquor clarities (ie. very clean), even at low flocculent dosage rates.

It contains no radioactive components.

It handles very cleanly and is ideal for transportation on land or sea - videos of its rail haulage performance can be seen at <https://www.youtube.com/watch?v=tqSNioU9gEc>.

The bauxite cargo has a high angle of repose (35 to 45 degrees) as evident in the port stockpile photo in Figure 11 above on page 5.

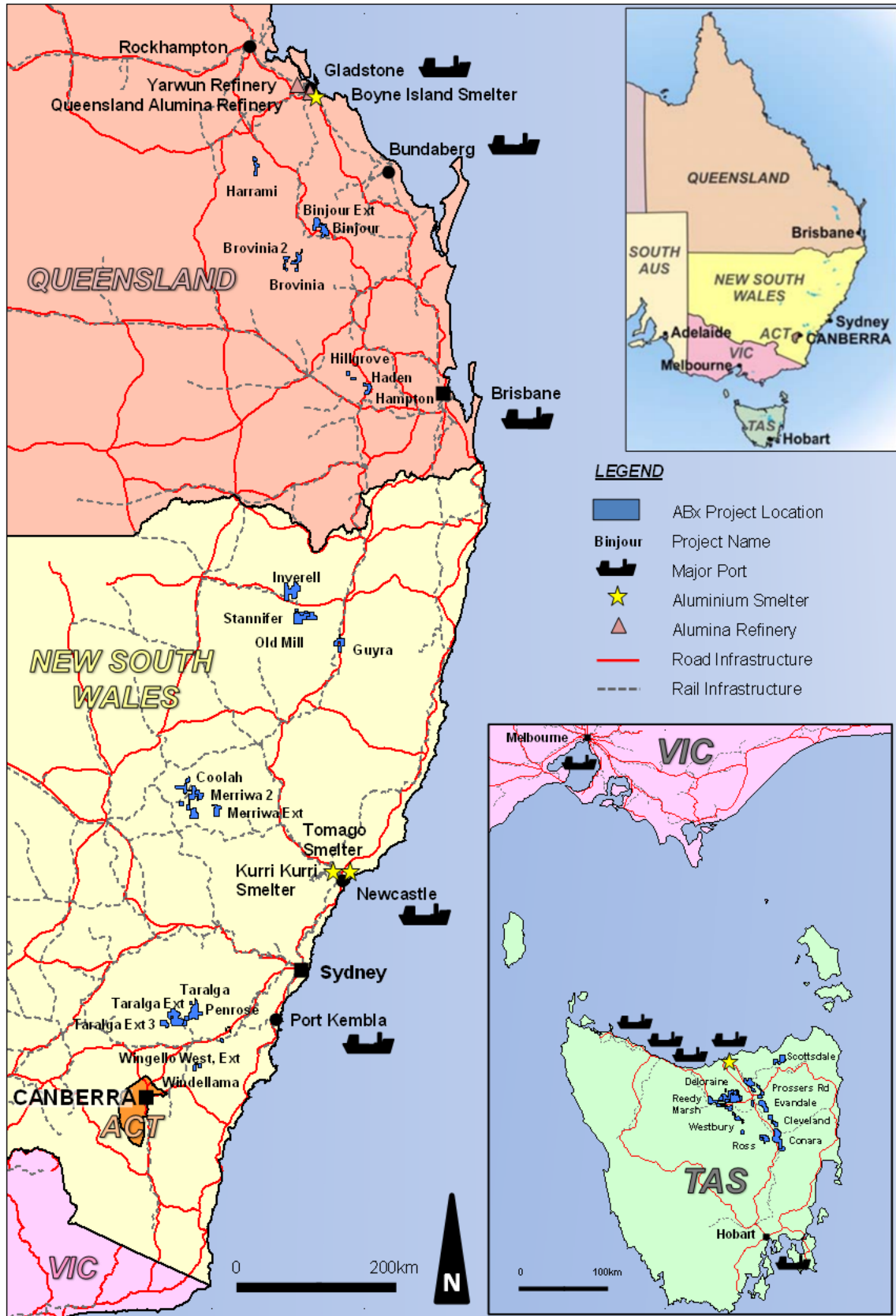


Figure 22: ABx Project Tenements and Major Infrastructure

Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

Australian Bauxite Limited

ABN

14 139 494 885

Quarter ended ("current quarter")

31 March 2016

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from product sales and related debtors	39	39
1.2 Payments for (a) exploration & evaluation	-	-
(b) development	(556)	(556)
(c) production	-	-
(d) administration	(91)	(91)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	12	12
1.5 Interest and other costs of finance paid	(14)	(14)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(610)	(610)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans from other entities	500	500
1.11 Loans repaid to other entities	(761)	(761)
1.12 Other	-	-
Net investing cash flows	(261)	(261)
1.13 Total operating and investing cash flows (carried forward)	(871)	(871)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(871)	(871)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	100	100
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other Expenses – Share issuing cost	-	-
	Other Income – Due diligence fee received	-	-
	Net financing cash flows	100	100
	Net increase (decrease) in cash held	(771)	(771)
1.20	Cash at beginning of quarter/year to date	1,496	1,496
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter *	725*	725*

* Bauxite sale proceeds to be received after the reporting date - see Quarterly Activity Report.

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2 ¹	Nil
1.24	Aggregate amount of loans to the parties included in item 1.10	Nil

1.25 Explanation necessary for an understanding of the transactions

¹ Represents payments to Paul Lennon, Kenneth Boundy and Ian Levy, Directors of the Company during the period.

These payments are, where appropriate, allocated across Exploration and Administration in item 1.2.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	Nil	Nil
3.2 Credit standby arrangements	Nil	Nil

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	30
4.2 Development	-
4.3 Production	90
4.4 Administration	80
Total	200

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	70	699
5.2 Deposits at call	-	101
5.3 Bank overdraft	-	-
5.4 Other (security bank deposit)	655	696
Total: cash at end of quarter * (item 1.22)	725 *	1,496

* Bauxite sale proceeds to be received after the reporting date - see Quarterly Activity Report.

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities <i>(description)</i>	-	-	-	-
7.2 Changes during quarter				
(a) Increases through issues	-	-	-	-
(b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3 +Ordinary securities	141,507,730	141,507,730	-	-
7.4 Changes during quarter				
(a) Increases through issues				
(b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities <i>(description)</i>	-	-	-	-
7.6 Changes during quarter				
(a) Increases through issues	-	-	-	-
(b) Decreases through securities matured, converted	-	-	-	-
7.7 Options <i>(description and conversion factor)</i>	Total Number		Exercise price	Expiry date
7.8 Issued during quarter	-	-	-	-
7.9 Exercised during quarter	-	-	-	-
7.10 Expired during quarter	-	-	-	-
7.11 Debentures <i>(totals only)</i>	-	-	-	-
7.12 Unsecured notes <i>(totals only)</i>	-	-	-	-

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does ~~not~~* (*delete one*) give a true and fair view of the matters disclosed.

Sign here:

(~~Director~~/Company Secretary)

Date: 29 April 2016

Print name:

Henry Kinstlinger

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.