



AUSTRALIAN BAUXITE LIMITED

ASX: ABX

ABx large 2nd shipment locked & loaded in record time. Mine reopened ahead of schedule.

ABx's second shipment, comprising 35,913 tonnes of cement-grade bauxite has been loaded and the ship has departed Bell Bay Port in northern Tasmania, thus concluding the second and largest sale of bauxite from ABx's Bald Hill mine - the first new bauxite project in Australia for more than 35 years which has reopened ahead of schedule on 3rd August to commence assembling the 3rd cargo for sale in Spring. The sale price is satisfactorily profitable but commercial-in-confidence.

The ship was loaded in record time totalling 45 hours from hatches opened to closed, achieving rates exceeding 900 tonnes per hour using all 4 ship's cranes, each with 12 tonne clamshell grabs.

ABx's Chief Operating Officer, Leon Hawker commented; "We have now demonstrated to all our customers that we can load and ship large tonnage cargos of bauxite very efficiently from Bell Bay Port – an all-weather, 24/7 port that can operate to high standards in all seasons, all year round. It also demonstrates that our stockpiles of bauxite performs very well, having withstood the recent major floods in northern Tasmania, without degrading. This is another landmark step for the company."

ABx's Logistics Manager, Paul Glover commented; "The bauxite is in perfect condition for the cement-grade bauxite customer and is very clean due to rigorous processing by Stornoway contractors at Bald Hill mine and careful transport pit-to-port by TasRail. The exceptional ship loading performance was a result of tight coordination between the many parties involved: namely the ships crew, QUBE stevedores, TasPorts, ship's agents Monsons Shipping, Independent Inspection Company Briar Maritime and the ABx sampling team."

Figure 1

Loaders ready as the ship, M/V Hamburg Pearl comes alongside and gears up for loading

12.20am 6 August.

Note the stable condition of the 35,913 tonne product stockpile after enduring all weather conditions for 8 months

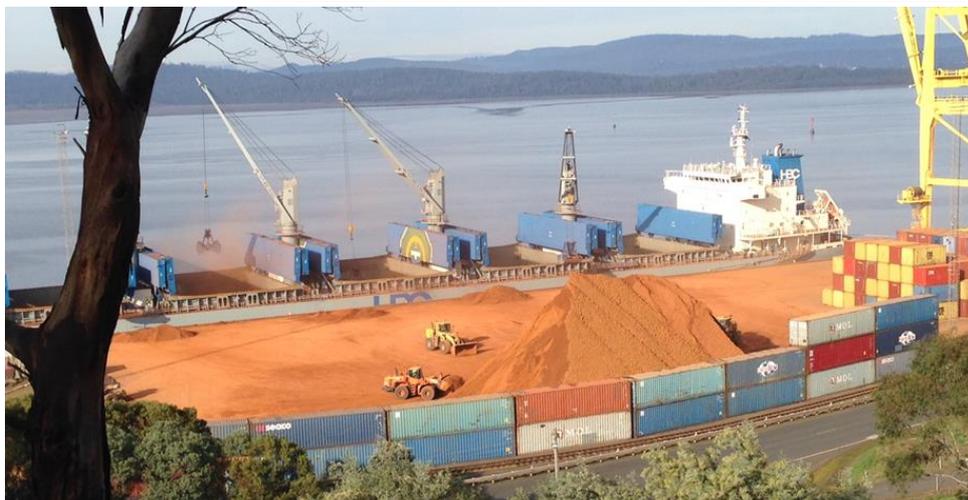


Figure 2

Half way through ship loading of the entire 35,913 tonne product stockpile at Bell Bay.

The bauxite confirmed its excellent handling performance during this high speed reclaiming from stockpile & ship loading

Mid-morning, 7 August

Figure 3

All 4 ship's cranes loading at high speed.

Sunrise 6 August



Figure 4

ABx Chief Operating Officer, Leon Hawker on board the ship as it loads ABx bauxite.

Early morning 6 August

Figure 5

ABx bauxite being loaded into the ship's hold from the 12 tonne ship's grabs.

The ABx bauxite is dry, low in dust and handles very well, ideal stowage factors with zero hang-ups and nil delays during handling and loading.

Mid afternoon 7 August in the final stages of loading the entire 35, 913 tonne cargo.





Figure 6

Operations Manager, Nathan Towns, sampling the bauxite during ship loading for quality assurance and comparison with forecasts.

This photo shows the outer skin of the bauxite that was affected by the extremely wet weather in recent months and the dry inner core of the stockpile. This confirms the excellent handling of ABx bauxite.

Early morning 7 August



Figure 7

ABx Logistics Manager, Paul Glover (left) taking ABx COO, Leon Hawker on board to inspect the final trimming of the bauxite cargo – and to position Leon perfectly for this photo, which is captioned:

“Leon takes his hat off for the fine teamwork at Bell Bay”.

Late afternoon 7 August

No employee was physically injured in the taking of this photo.

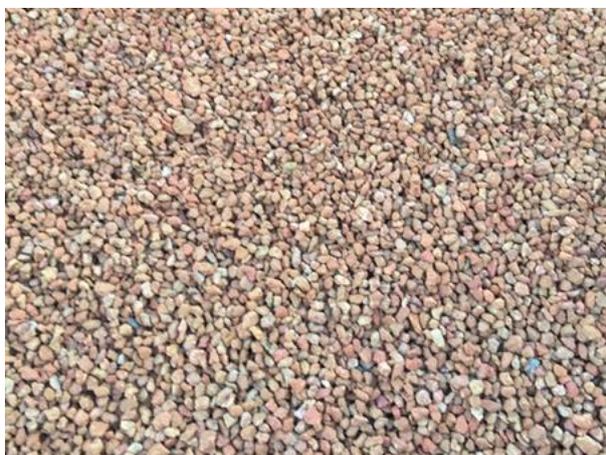


Figure 8: Close-up of the stockpiled bauxite



Figure 9: Final stages of loading entire stockpile on 7 August

Marketing strategy is succeeding

ABx plans to sell its bauxite products into the 3 main markets, namely

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

When the metallurgical bauxite market is depressed and prices low due to oversupply of seaborne bauxite from Malaysia and Guinea whilst Chinese demand is weak, ABx is focusing on sales to the cement and fertiliser industries, achieving an acceptably profitable price by supplying products to suit each customer's requirements and by delivering on a just-in-time basis due to the efficient and flexible supply chain from pit to port to ship that has been created in northern Tasmania.

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.

Mine has reopened ahead of schedule

As advised in recent weeks, now that additional sales have been finalised in good time and negotiations with new customers are well advanced, ABx and its contractors have been able to reopen the Bald Hill Bauxite Project at Campbell Town in northern Tasmania mid last week, ahead of the announced scheduled reopening on 8 August. The ready availability of suitable equipment and prompt response from Tasmania's contracting industry has been impressive.

Continuation of rehabilitation and assembly of bauxite tonnages for sales are being carried out simultaneously as the weather transitions from Winter conditions into Spring and Summer.

Expansion and development of TasTech Technology can be self-funded from cashflow

The tonnage potential in the modern Cement and Fertiliser industries is substantial but ABx remains "very prudent" about expansion plans whilst it seeks multi-year contracts with several trustworthy large customers.

ABx plans 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 for metallurgical bauxite, cement-grade bauxite and fertiliser bauxite (see Figures 11 & 12):

ABx has several major expansion opportunities in Tasmania (see Figure 10), as well as in NSW and QLD, each with different capital costs and tonnage potential (see Figure 13).

For further information please contact:

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About Australian Bauxite Limited

ASX Code ABX

Latest News: 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	Leon Hawker	Chief Operating Officer
Ian Levy	CEO & MD	Rob Williams	General Manager
Ken Boundy	Director	Jacob Rebek	Chief Geologist
Henry Kinstlinger	Secretary		

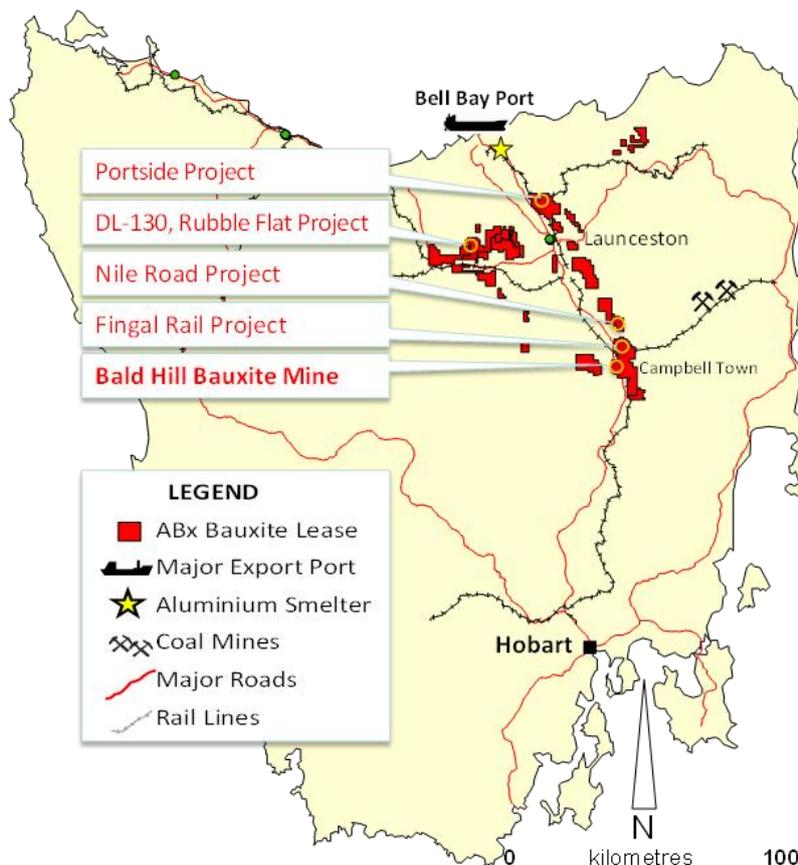


Figure 10: Map showing ABx mines and transport infrastructure in Tasmania, Australia.

Figure 11: TasTech

ABx's TasTech technology is a low-cost, 3-stage process that separates Tasmanian bauxite into its 3 constituent product-types, namely:

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

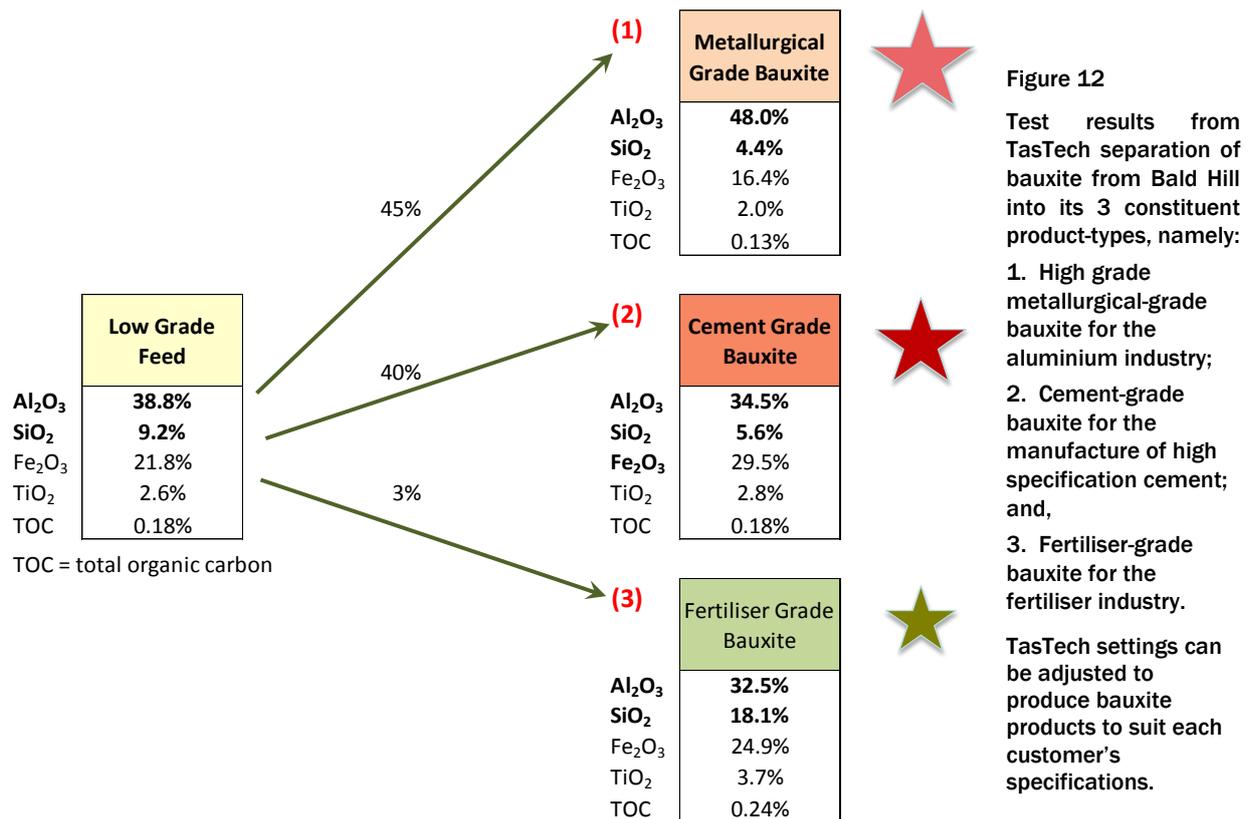
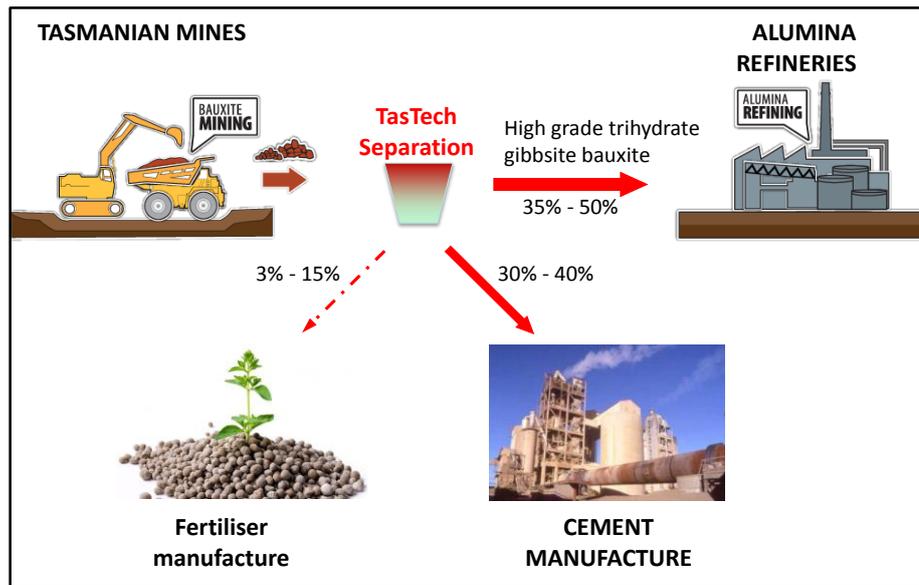


Figure 12

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

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

TasTech settings can be adjusted to produce bauxite products to suit each customer's specifications.

Qualifying statements

The information in this report that relates 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 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.

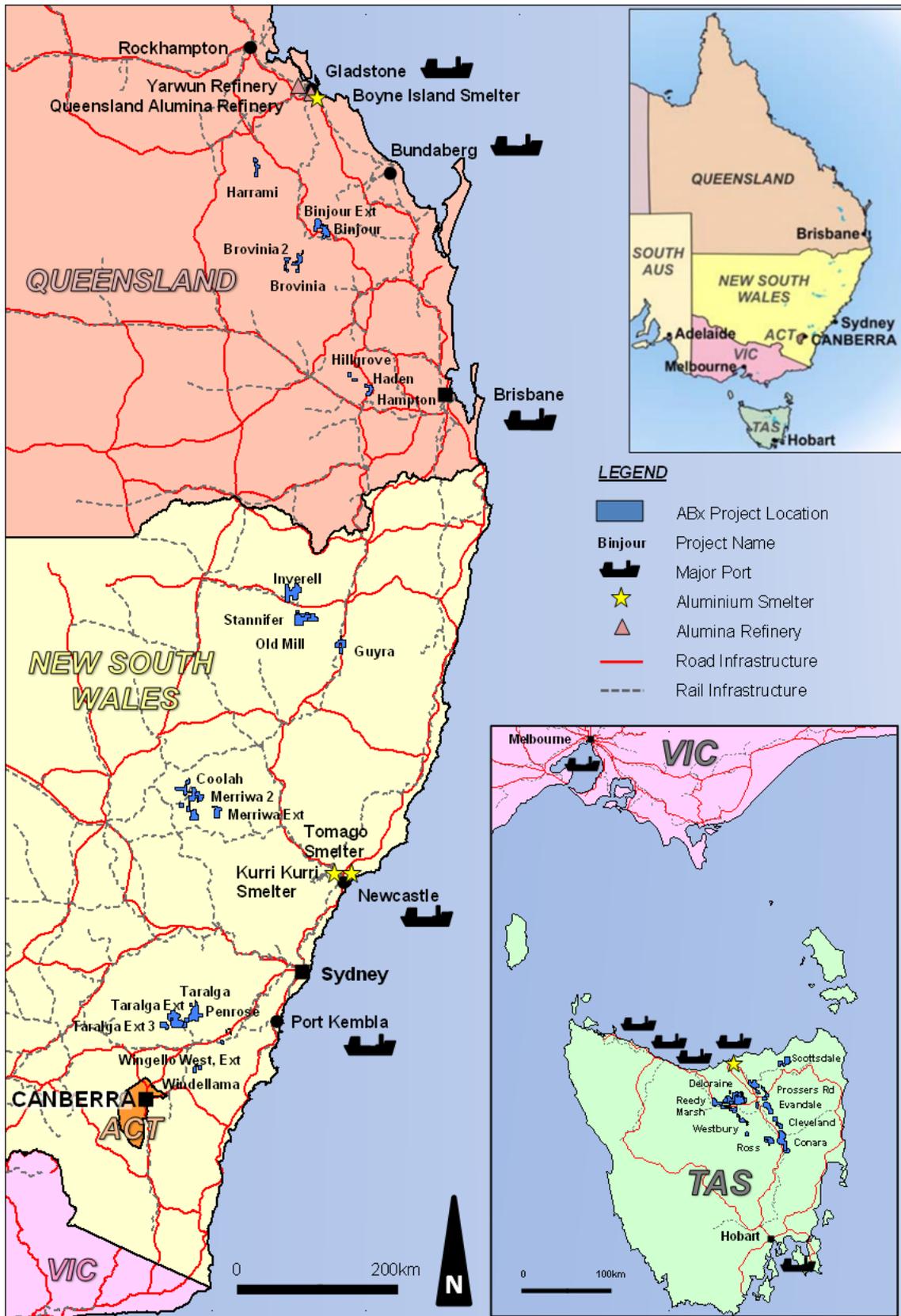


Figure 13: ABx Project Tenements and Major Infrastructure in Tasmania, NSW & QLD, Eastern Australia