



AUSTRALIAN BAUXITE LIMITED

ASX: ABX

ASX ANNOUNCEMENT

28 May 2015

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 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 - 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, with first shipments targeted for June or early 3rd Quarter, 2015.

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
Julian Rockett	Secretary

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Latest News: www.australianbauxite.com.au

Bauxite Discovery at New Portside Production Centre

- Australian Bauxite Limited (ABx) has received high-grade assays from drill hole samples into the PR-18 bauxite deposit located north of Launceston and close to the Bell Bay export port, northern Tasmania.
- Results are mainly high-grade, direct shipping bauxite (DSO)¹
- ABx considers this Portside area to be the most likely third Bauxite Production Centre. ABx's business plan is to produce from 3 production centres so as to maximise blending to produce consistent products
- ABx's first two production centres are (1) the Campbell Town production centre which includes ABx's operating mine at Bald Hill and (2) the DL-130 Production Centre west of Launceston - see Figure 1.
- Initial bauxite resources for the Campbell Town production centre total 3.5 million tonnes.²
- ABx's total bauxite resources for all regions total 119 million tonnes, of which 9.2 million tonnes are in Tasmania²
- The drilling program for the DL-130 area has concluded for 2015 and revised resource estimation will be conducted over coming months
- Once all assays from the new PR-18 discovery are received and interpreted, additional drilling of several other known targets within the Portside Production Centre area will be undertaken as a matter of some urgency and in Spring, important base line environmental studies will be conducted to confirm the initial assessment that there are no socio-environmental barriers to development.

Australian Bauxite CEO Ian Levy said; "This discovery is a result of ABx's proprietary exploration technology and efficient drilling by the ABx exploration team.

Bauxite potential in this area was downgraded by early explorers because surface samples were low grade. ABx encountered similar surface results but the ABx exploration technology showed that good bauxite should exist in this area.

So ABx drilled 68 reconnaissance drill holes and the 18th hole discovered this excellent bauxite in an ideal location."

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¹ See Definitions

² See Resources Summary

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Three Tasmanian production centres taking shape

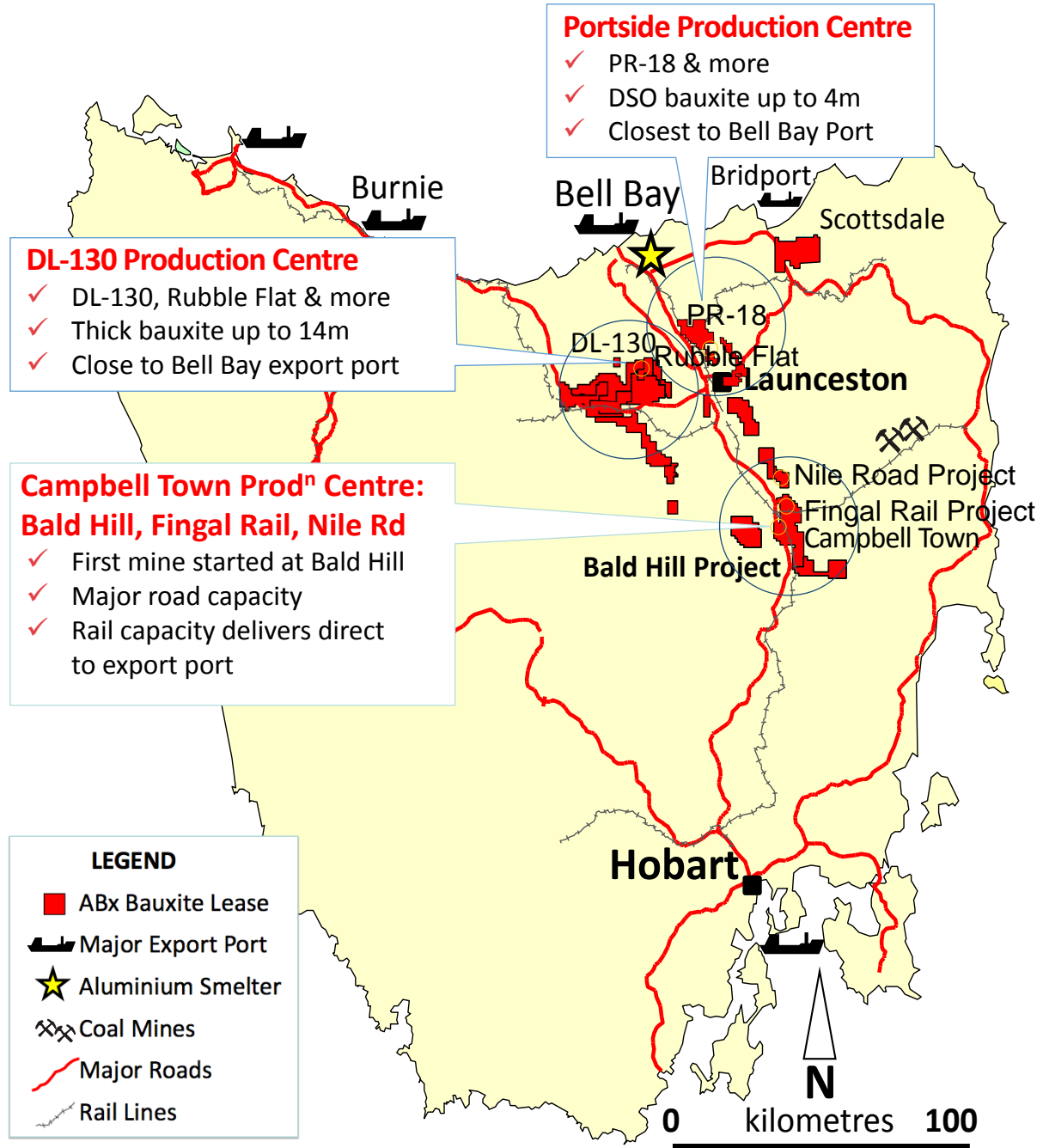


Figure 1: location of three Tasmanian Bauxite Production Centres, Campbell Town, DL-130 and Portside (new)

- ABx's business plan is to produce bauxite from 3 production centres to achieve a consistent product specification. Portside is the most likely 3rd production centre.
- Bell Bay is the largest export port in Tasmania and is the bulk export for bauxite.
- All highways, rail and port infrastructures have sufficient spare capacity for the planned bauxite exports.

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Bauxite Drill Results

Sixty-eight (68) reverse circulation drillholes, holes PR001 to PR068 were drilled in the Portside area during March-April. A total of 715 metres were drilled, and 63 metres were in bauxite.

See Figure 2 for drillhole distribution and locations.

Based on inspection, the bauxite layer occurs beneath an overlying layer of unconsolidated sediments ranging up to 12 metres thick in places which has concealed the majority of this bauxite deposit.

The bauxite formation is a flat-lying layer ranging in thickness from 2 to 4 metres.

After careful logging of the drill samples, 171 metres of samples have been sent to the ALS Laboratory in Brisbane. Results are pending.

Initial results received: To confirm that good quality bauxite had in fact been discovered, nine (9) representative samples of the bauxite were collected and dispatched to the ALS Laboratory for prompt assaying. The results from these 9 samples are shown in Table 1 following:

Table 1

Results from first assaying of bauxite drill samples from PR-18 discovery in the Portside Production Centre

Hole	From m	To m	Length m	Raw Unsieved Samples								
				Al ₂ O ₃ %	SiO ₂ %	A/S ratio	Fe ₂ O ₃ %	TiO ₂ %	LOI %	Avl Al ₂ O ₃ %	Rx SiO ₂ %	Avl/Rx ratio
PR013	1	2	1	35.20	6.77	5.2	33.60	2.17	21.27	28.50	5.60	5.1
PR019	0	1	1	38.56	16.45	2.3	20.20	1.68	22.13	24.70	14.30	1.7
PR020	6	7	1	38.53	5.58	6.9	29.60	1.66	23.46	33.00	4.30	7.7
PR027	2	3	1	40.35	7.59	5.3	22.30	1.73	24.90	32.50	6.40	5.1
PR026	6	7	1	41.16	4.01	10.3	27.30	1.92	24.68	37.10	2.90	12.8
PR037	14	15	1	41.30	6.74	6.1	25.30	1.81	24.12	35.30	5.60	6.3
PR037	15	16	1	40.02	5.88	6.8	27.70	1.60	24.18	36.00	3.60	10.0
PR068	7	8	1	49.78	14.10	3.5	5.61	2.85	26.70	38.30	12.10	3.2
PR068	8	9	1	48.85	8.47	5.8	13.15	2.01	26.77	41.90	6.90	6.1
Averages				41.5	8.4	4.9	22.8	1.9	24.2	34.1	6.9	5.0

Explanations: All samples are from samples logged as bauxite and are considered representative of the bauxite encountered in these first 68 drillholes at the PR-18 bauxite discovery site. 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. These samples are all raw, unsieved bauxite.

Notes

- Results for the samples from holes PR013 and PR019 are moderate to poor grade bauxite, similar to the surface sample results that confused early explorers in this area.
- Results for deeper samples are generally high grade. Hence, this bauxite requires assessment by drillholes rather than by surface exploration alone.
- 7 of the 9 samples could be sold as mined, with a minimum of processing (ie. DSO-grade) ³.

³ See definitions

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Portside Production Centre: first 68 holes at PR-18 discovery site

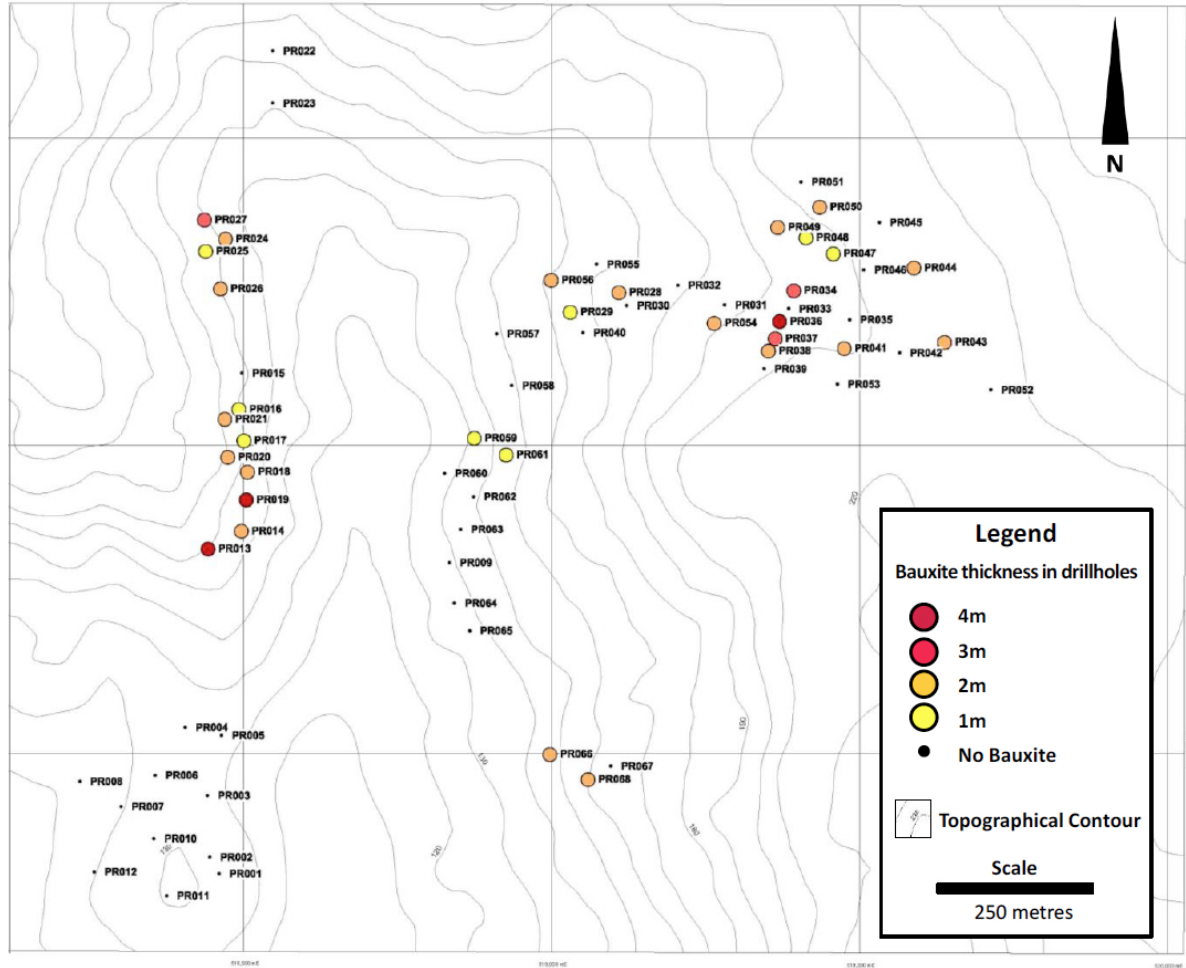


Figure 2: First 68 drillholes at the PR-18 bauxite discovery, Portside Production Centre

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. The Mineral Resources have increased since December 2013 following declaration of the Mineral Resources at Campbell Town Area, Tasmania on 24 March 2015.

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Table 2: ABx JORC Compliant Resource Estimates

Region	Resource Category	Million Tonnes <i>mt</i>	Thick-ness <i>m</i>	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	%	<i>m</i>
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 DSO	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
	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

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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.

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Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves “The JORC Code”: Table 1

Section 1 – Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling 	<ul style="list-style-type: none"> Reverse circulation aircore drillhole samples at 1 metre depth intervals.
	<ul style="list-style-type: none"> Measures to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. 	<ul style="list-style-type: none"> Representivity verified by twinned holes, drill sampling tests at 0.5 metre intervals, core holes and bulk pits. Correlations are moderate to good.
	<ul style="list-style-type: none"> Material aspects of the determination of mineralisation. 	<ul style="list-style-type: none"> Bauxite identified geologically & field lab tests, ¼ samples sent to ALS Laboratories Brisbane. Wet-screened at 0.26mm; recovered bauxite is assayed. Representative unscreened bauxite-samples are assayed. Laboratory yields bear an indirect relationship with actual production yields which have averaged above 65% in bulk tests & mining.
Drill method	<ul style="list-style-type: none"> Drill type 	<ul style="list-style-type: none"> Reverse circulation aircore drilling.
Drill sample recovery	<ul style="list-style-type: none"> Recording and assessing chip sample recoveries and results assessed. 	<ul style="list-style-type: none"> Weigh samples, volume estimates, comparisons with bulk pits.
	<ul style="list-style-type: none"> Measures taken to maximise sample recovery & ensure representative samples. 	<ul style="list-style-type: none"> Lowest practical air pressure used, steady drill speed. Drilling contractor is paid per day not per metre.
	<ul style="list-style-type: none"> Relationship between sample recovery and grade and possible sample bias. 	<ul style="list-style-type: none"> No relationship has been observed between core recovery & grade.
Logging	<ul style="list-style-type: none"> Have chip samples been geologically & geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies & metallurgical studies. 	<ul style="list-style-type: none"> Every metre of drill chips is logged geologically, photographed, assayed and all data recorded in ABacus database. Geotechnical tests are done during bulk test pits and trial mining.
	<ul style="list-style-type: none"> Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. 	<ul style="list-style-type: none"> Geological logging & field lab tests. Channel sampling, bulk sampling & screened samples of bulk pits. All samples are photographed & stored in database.
	<ul style="list-style-type: none"> The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> 100% logged. Report lists total metres drilled, sampled & assayed.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> For non-core samples, whether riffled, tube sampled, rotary split, etc & if sampled wet or dry. 	<ul style="list-style-type: none"> Quartered sampling done on undried aircore chip samples, as drilled. Bauxite is dry.
	<ul style="list-style-type: none"> Nature, quality and appropriateness of the sample preparation technique. 	<ul style="list-style-type: none"> Sample preparation technique suits bauxite type. Confirmed by multi-tests.
	<ul style="list-style-type: none"> Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. 	<ul style="list-style-type: none"> Repeated sub-sampling and twinned holes produces comparable laboratory results within natural variance range.
	<ul style="list-style-type: none"> Measures to ensure sampling representativeness of the in situ material collected. 	<ul style="list-style-type: none"> Repeated sub-sampling & twinned holes produces comparable results within natural variance range.
	<ul style="list-style-type: none"> Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> Sample sizes are appropriate to the grain size of the material being sampled. Complies with sampling theory.
	<ul style="list-style-type: none"> Nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. 	<ul style="list-style-type: none"> ALS uses industry-standard techniques for total analysis for trihydrate bauxite types. Confirmed by inter-lab tests & customers are satisfied with ALS laboratory results after testing many samples.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make, model, reading times, calibrations factors applied & their derivation, etc. 	<ul style="list-style-type: none"> Handheld XRF results in field laboratory used to select samples for ALS laboratory analyses. Calibration studies done and standards used. Machine is serviced regularly.
	<ul style="list-style-type: none"> Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) & whether acceptable levels of accuracy (ie lack of bias) & precision have been established. 	<ul style="list-style-type: none"> Repeated sub-sampling & twinned holes produces comparable laboratory results within natural variance range. Laboratory standards statistically assessed during resource estimation.
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. 	<ul style="list-style-type: none"> Repeated sub-sampling and twinned holes produces comparable laboratory results within natural variance range.
	<ul style="list-style-type: none"> The use of twinned holes. 	<ul style="list-style-type: none"> Twinned holes done often.

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Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> Well-established professional database procedures, including links back to Lab data certificates, original logging sheets and sample photos. When not material, some in-situ data can be estimated mathematically from screened lab results of the same samples.
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> Drill holes sited using hand-held GPS accurate within 2 metres horizontally and within 3 metres vertically. No down-hole surveys required for 15 metre deep vertical holes. MGA94 Digital 5 metre topographic contours Pre-mining, landform is professionally surveyed, accurate to within 0.1 metres by Leica GS15 dual frequency receiver.
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Is data spacing and distribution sufficient to establish degrees of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation? Has sample compositing been applied? 	<ul style="list-style-type: none"> Not specified. Drill spacing is suitable for estimation of Inferred & Indicated resources but not Measured which may need mine confirmation. Spacings confirmed geostatistically. No sample compositing done.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. Has orientation of drilling & key mineralised structures introduced a sampling bias? 	<ul style="list-style-type: none"> Shallow vertical holes are used to test surface layer of bauxite as done by all bauxite companies. Comparisons with bulk pits samples are satisfactory No bias has been detected from comparisons between drillhole results and bulk pit results.
Sample security	<ul style="list-style-type: none"> Measures taken to ensure sample security. 	<ul style="list-style-type: none"> Chain of custody methods, wire-tying & plastic wrapping of pallets of samples.
Audits or reviews	<ul style="list-style-type: none"> Results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> Audits by major firms and potential customers have been satisfactory.

Section 2 – Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> Exploration Licences are listed in this report and all held 100% by ABx4 Pty Limited, a wholly owned subsidiary of Australian Bauxite Limited and free of 3rd party encumbrances, joint ventures, royalties, native title, historical sites, wilderness or national parks or socio-environmental constraints. All tenements are in good standing. A licence to operate requires a landholder access agreement, a granted Mining Lease and an acceptable Development Plan and Environmental Management Plan.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> The bauxite deposits are new discoveries by ABx using its proprietary exploration technology.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> Bauxite formed on Tertiary volcanic tuffs.
Drill hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> coordinates of hole collar dip and azimuth of the hole down hole length & interception depth hole length. 	<ul style="list-style-type: none"> Material exploration results are reported in the release.

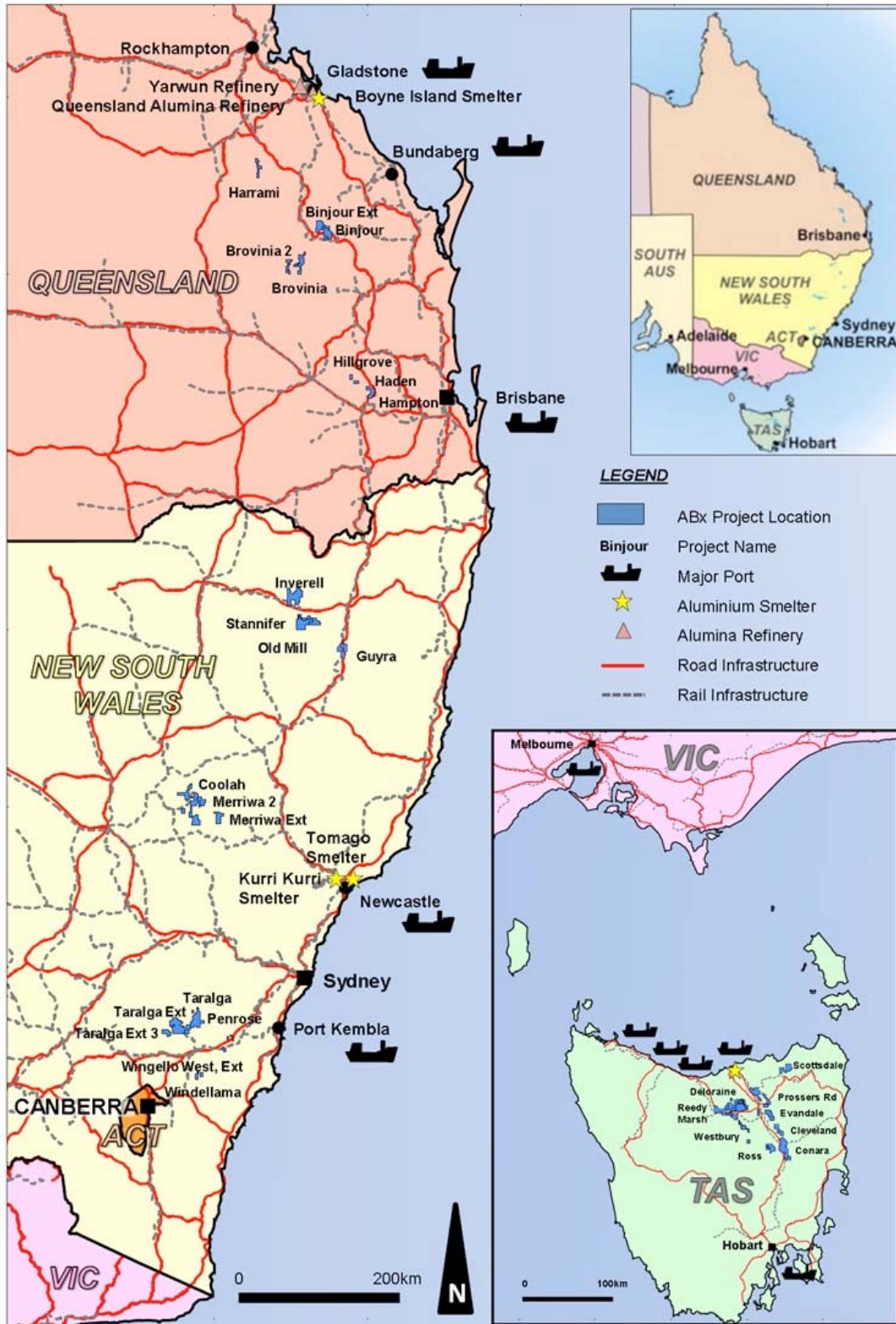
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Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> If the exclusion of this information is justified, the Competent Person should clearly explain why this is the case. 	<ul style="list-style-type: none"> The Bauxite deposits have hundreds of holes, thousands of samples & assays; too many data to list in this manner.
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material & should be stated. 	<ul style="list-style-type: none"> Uncut assays used due to normal distribution. Cut-off grades are documented in the report, including 30% available Al₂O₃ for screened samples.
	<ul style="list-style-type: none"> Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated. 	<ul style="list-style-type: none"> Not applicable: simple length weighting of standard 1 metre long samples grading above the cut-off grades is used.
	<ul style="list-style-type: none"> Metal equivalent value assumptions. 	<ul style="list-style-type: none"> None used.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. 	<ul style="list-style-type: none"> Intercept length down hole equals the bauxite mineralisation true width.
	<ul style="list-style-type: none"> If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. 	<ul style="list-style-type: none"> Holes are vertical and the bauxite is horizontal geometry.
	<ul style="list-style-type: none"> If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect. 	<ul style="list-style-type: none"> Not applicable: bauxite mineralisation is horizontal; perpendicular to the vertical holes.
Diagrams	<ul style="list-style-type: none"> Appropriate maps & sections (with scales) & tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations & appropriate sectional views. 	<ul style="list-style-type: none"> Summarised maps are shown in the report.
Balanced reporting	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> Summarised in the report, with examples shown as appropriate.
Other substantive exploration data	<ul style="list-style-type: none"> Other exploration data, if meaningful & material, (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size & method of treatment; metallurgical test results; bulk density, groundwater, geotechnical & rock characteristics; potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> Material exploration data included in the report.
Further work	<ul style="list-style-type: none"> Nature & scale of planned further work. 	<ul style="list-style-type: none"> Summarised in the report.
	<ul style="list-style-type: none"> Diagrams clearly highlighting areas of possible extensions, including the main geological interpretations & future drilling areas. 	<ul style="list-style-type: none"> Summarised in the report except where commercially sensitive.

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Figure 3: ABx Project tenements and major infrastructure in eastern Australia



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