



Targeting Premium DSO Bauxite

Investor Presentation - October 2015

QBL.ASX

Near-Term Production of DSO Bauxite for Supply to Asian Markets



For personal use only

QBL Corporate Snapshot



Corporate Overview

ASX Code	QBL
Market Capitalisation (\$0.013)	\$8.85m
Cash as at 31 September 2015	\$6.2m
52 week SP range (\$/share)	0.011-0.029
Shares on issue	737.9m



6 month share price performance

Major Shareholders

Volcan Australia Corporation Pty Ltd	17.11%
First State Pty Ltd	8.01%
Gleneagle Securities	2.41%
Unicorn Prayers Pty Ltd	2.26%
Sacha Investments Pty Ltd	1.15%



Investment Highlights



Clearly defined development pathway targeting near term DSO bauxite production for Asian markets

- Awaiting approval to commence near-term bauxite production from flagship South Johnstone Bauxite Project
- Major milestones recently completed with upgraded Indicated Mineral Resource and Stage 1 Scoping Study
- Building a robust project portfolio in Eastern Australian Bauxite Province – two major gibbistic projects
- Well funded for rapid development with circa \$6 million cash at bank
- Recently secured development facility from New York based investment firm Magna Minerals Development Licence Application (MDLA) pending with Queensland Department of Natural Resources and Mines (DNRM)
- Limited new supplies of seaborne bauxite is forecast on-stream in next 12 months
- QBL in discussion with number of potential off take partners from Asia



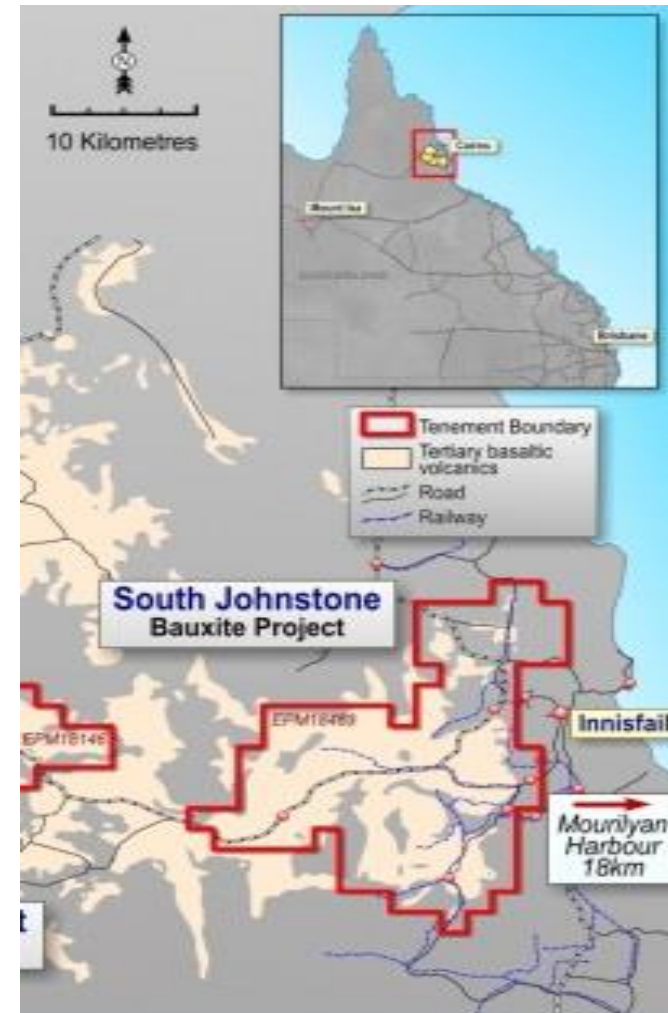
South Johnstone Bauxite Project (QBL 100%)



Close proximity to port, critical infrastructure and Asian export markets

- Simple, shallow surface mining and quarrying operation to produce high quality DSO product
- Initial Indicated Resource of approximately **1.9 Mt of bauxite grading 29.7% available bauxite and 3.2% reactive silica**
- Located circa 20km west of Port Mourilyan in North Queensland, with state highways leading directly to port
- Heads of Agreement signed with Ports North for Mourilyan Port - rail line runs directly through project area
- Exploration Target of 193 – 405 Mt gibbsitic bauxite with an acid soluble alumina range of 31% - 40% bauxitisation

Although the nature of an Exploration Target is that the potential quality and grade of the Exploration Target is conceptual in nature, and other than the JORC resource that has been defined as detailed in this presentation, there has been insufficient information to estimate further JORC Indicated Mineral Resources, and it is uncertain if further exploration will result in the estimation of a larger mineral resource, however further extensive regional drilling since this estimation is continuing to support this target of bauxite mineralisation and is illustrated by the map work in this presentation the result of the drilling to date.



Updated Scoping Study Highlights



Recently updated Scoping Study and Mineral Resource firmly underpin QBL's development plans

- Current initial JORC Indicated Resource area drilled is less than 1% of estimated Exploration Target Area
- Average available alumina of 29.7% and reactive silica of 3.2% for current initial indicated Resource
- Indicated Resources identified in vicinity of Camp Creek
- Potential for increased bauxite production in Operating Scenario Stage 2
- Low Capex, low Opex, low risk and robust payback and revenues
- Reviewing several options which could fast track production – enhanced methods of loading and transport
- Engaged Sea Transport Commodities Pty Ltd for logistical support and logistical advice



Mourilyan Harbour Aerial View



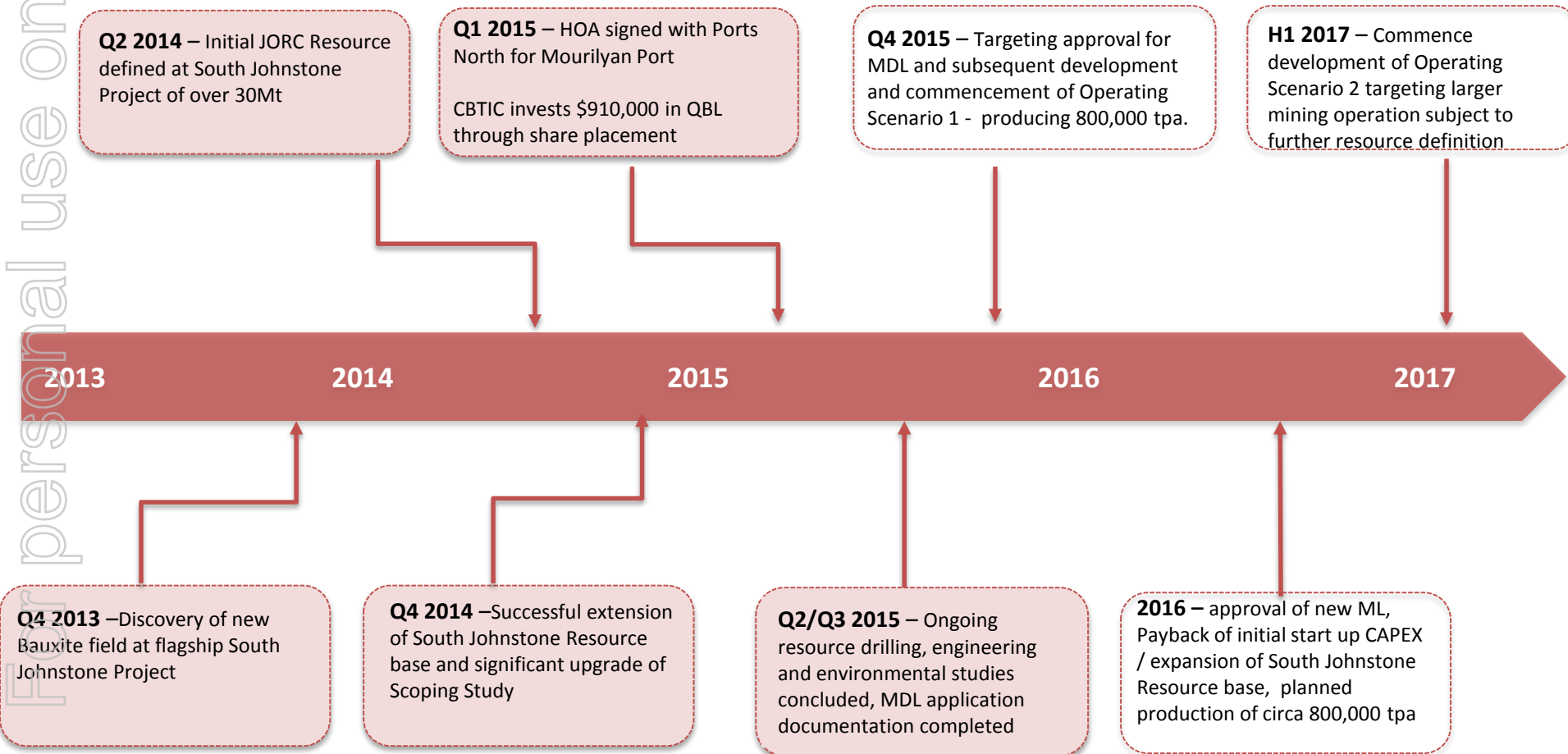
Aircore drilling underway at South Johnstone Project

For personal use only

QBL Development Timeline



For personal use only



Pathway to Production – Operating Scenario 1



Updated Scoping Study for South Johnstone Bauxite Project has assessed the viability of an initial mining operation of the already identified Indicated Resource producing 800,000 tonnes per annum of bauxite for an initial period of 3 years, and subject to further successful larger resource definition through ongoing exploration, to develop Operating Scenario 2 through significantly expanding the port and rail capacity further.

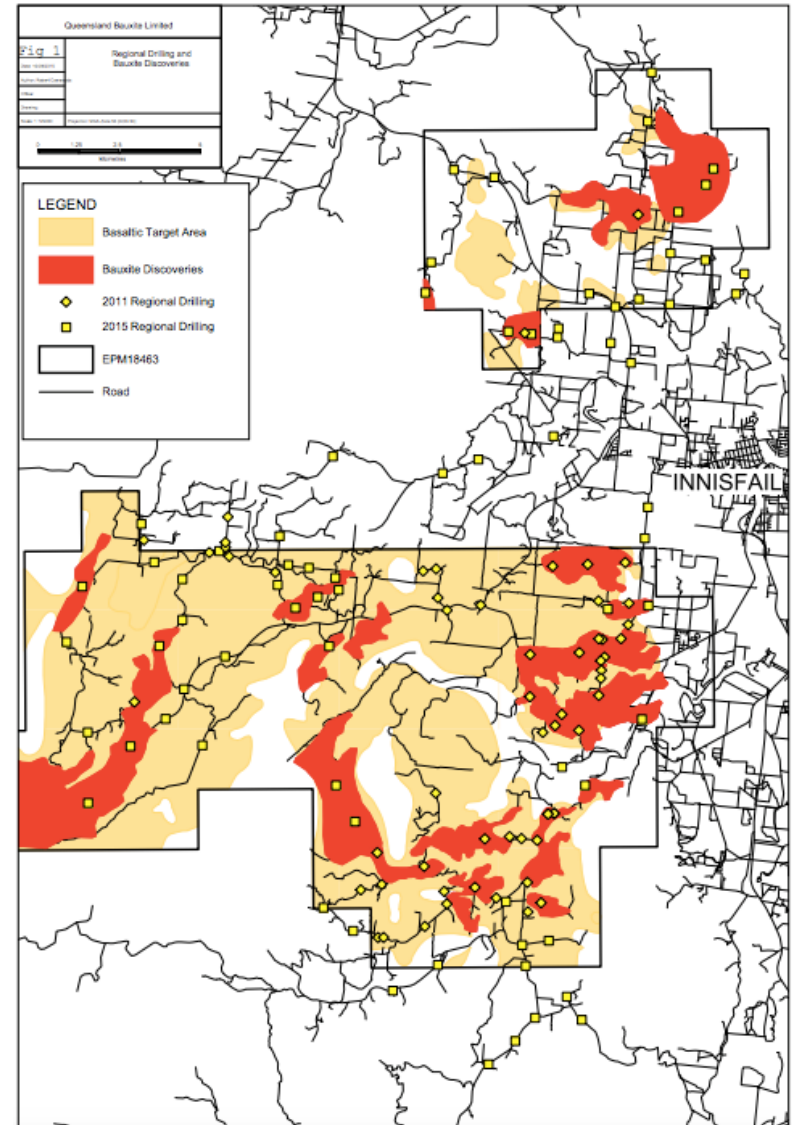
Stage One: Commencing 2015
Capex required circa A\$5.14 million
Payback of estimated capital costs < 6 months
Operating cost: A\$20.87/ tonne FOB (not including royalties)
Project study at A\$53.01 / tonne bauxite price
Operating Gross Profit Margin: A\$32.14/ tonne FOB
Royalties: A\$5.30/tonne
Current Freight Costs to Shandong, China: \$11.24 / tonne
Annual Gross Revenue: A\$42.4 million
IRR: 223%
Operating annual positive cash flow before tax: A\$12.3 million
Environmental approval application and ML application processes underway

For personal use only

South Johnstone Project – Resource Drilling Program



- Ongoing regional drilling aimed at rapidly expanding Indicated Mineral Resource across South Johnstone Project area
- Targeting +10 year Mine Life
- Acquisition of own drill rig to fast-track exploration
- Approx. 50% of regional holes drilled intersected bauxite mineralisation between 0.5m – 5m thick
- Surface drilling returned up to 34.6% available alumina and as low as 1.2% reactive silica



Shipping Bauxite to China – The Fundamentals

- Ban on Indonesian bauxite exports sees China becoming increasingly reliant on Australia for consistent supply
- Northern Queensland's proximity to Asian markets significantly reduces shipping costs
- Declining alumina to silica ratios continuing across Chinese refineries – less than 5:1
- South Johnstone currently has Indicated Resource at ratio of 10:1
- Recent exports of Malaysian bauxite at lower grades have been quickly bought by Chinese refineries
- Macro outlook sees continued rising prices amid looming bauxite shortage
- Discussion with a number of potential off take suitors progressing well



QBL Peer Comparisons



Company	Ticker	M-Cap (AUD)	Share Price	Key Projects	JORC Resources	Development Stage
Queensland Bauxite Limited	QBL.AU	\$8.85m	0.013c	South Johnstone Project – North Queensland	Exploration target 193Mt -403Mt	Awaiting approval to commence production
Australian Bauxite Limited	ABX.AU	\$42.16M	0.30c	37 projects covering 5,000km ² across QLD, NSW, TAS	119.1Mt (Total)	Bald Hill Project approaching production
Bauxite Resources Limited	BAU.AU	\$13.92M	0.06c	Fortuna Project and Dionysus Project – Darling Range, WA	Combined 60.3Mt Inferred	Completed Scoping Study at Fortuna
Canyon Resources	CAY.AU	\$6.91m	0.05c	Birsok Project - Cameroon	N/A	Exploration stages progressing
First Bauxite Corp	FBX.CN	\$5.87m	0.05c	Bonasika Project – Goyana, South America	13.1Mt	Bonasika Project in Goyana producing
Metallica Metals Limited	MLM.AU	\$6.67m	0.04c	Urquhart Bauxite Project – North Queensland (60% MLM)	7.65Mt	Permitting and environmental studies underway
Metro Mining Limited	MMI.AU	\$21.51M	0.06c	Bauxite Hills Project – North Queensland	30.3Mt Indicated + 31.2 Mt Inferred	Pre-Feasibility Study completed
Unlisted:						
Gulf Alumina Limited	-	-	-	Skardon River Project – North Queensland	78.8Mt	Feasibility Study completed

Why Invest in QBL?



For personal use only

- QBL offers exposure to a potentially low risk, low cost, highly profitable bauxite operation
- Significant free cash flows from year 1
- Huge potential to expand existing Resource base and production output
- Solid cash balance enables aggressive approach to development and expansion
- Outlook for bauxite market remains strong with falling supply and grade amongst Chinese refineries
- Strong Board and Management team backed by supportive shareholder base
- Work continuing on the optimisation of costs and logistics for Mine-Port and shipping to Asian markets



Mourilyan Port where QBL plans to export its DSO product to China

Experienced Board & Senior Management



For personal use only

Pnina Feldman – Executive Chairman:

Pnina was the founding Chairperson of Queensland Bauxite Limited. Throughout her twenty year experience in the mineral exploration industry, she has consistently demonstrated a world class aptitude for sourcing, negotiating and developing exploration and resource projects locally and internationally. She has successfully negotiated many joint ventures with BHP and De Beers and was founder and Executive Chairperson of the publicly listed Diamond Rose NL.

Sholom Feldman – Executive Director & CEO:

Sholom was a founding Director of Queensland Bauxite Limited, its CEO and Company Secretary since inception in 2007. He holds extensive general commercial management experience and has performed considerable management and secretarial work for both listed and unlisted companies. He currently holds positions as Director and Manger with a number of private and public companies including his position as Managing Director and Secretary of US listed Volcan Holdings Inc. a company which he also co-founded.

Meyer Gutnick – Non-Executive Director:

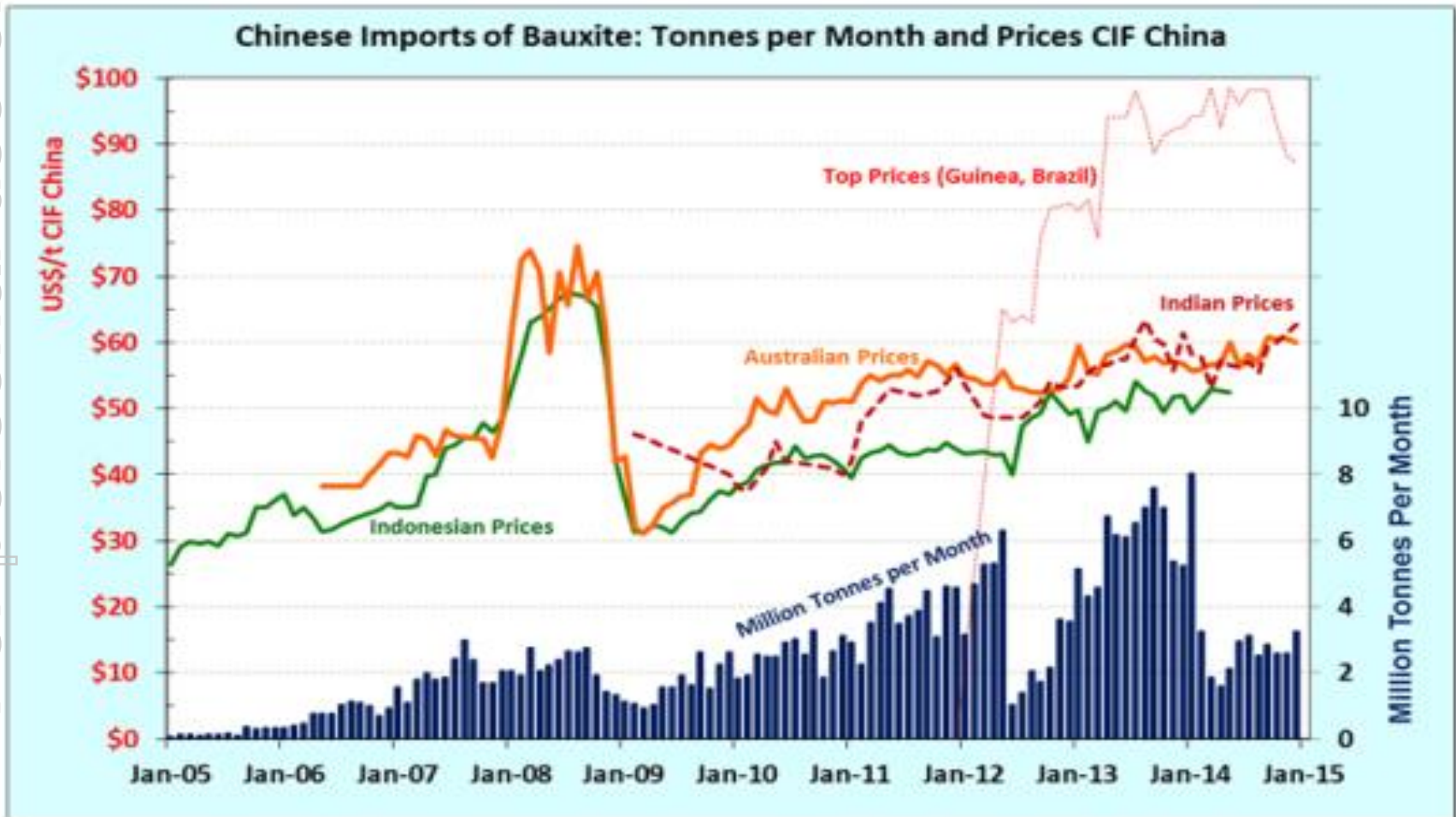
Mr. Gutnick has been a Non-Executive Director at QBL since March 4, 2014. He has many years in the banking and finance industry, furthering his reputation by building significant investment portfolios in the banking, real estate and insurance sectors in New York. He is also a seasoned investor in public markets, controlling investments in the mineral exploration industry through the ASX and North American markets.

Dr. Robert Coenraads – Principle Project Geologist:

Robert is a qualified geologist, geophysicist and gemologist with over 30 years' experience in the field of international exploration and mining. He has written four internationally published books on geology and penned over forty scientific papers and numerous independent company reports. He completed his Pd.D. at Macquarie University in Sydney.

Appendix 1: Chinese Imports of Bauxite

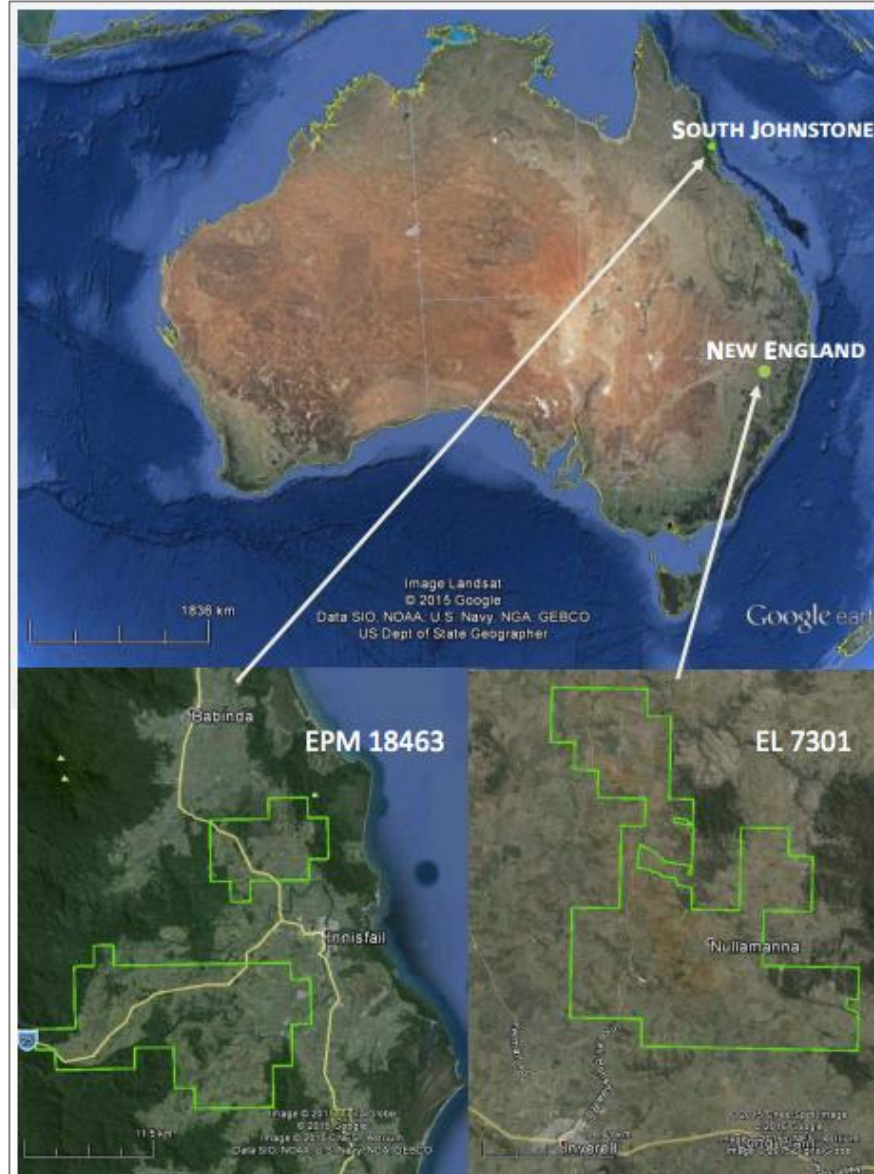
For personal use only



Appendix 2: QBL Bauxite Projects Map



For personal use only



Contact Details



Address: 67 Penkivil St. Bondi NSW 2026

Ph: 61 2 9291 9000

F: 61 2 9291 9099

E: info@queenslandbauxite.com.au

W: www.queenslandbauxite.com.au

For personal use only

Disclaimer



ALL REFERENCES TO 'THE COMPANY', 'QBL' OR 'QUEENSLAND BAUXITE LIMITED' RELATE TO QUEENSLAND BAUXITE LIMITED (ASX: QBL) ACN 124 873 507.

- Not all images in this presentation are images of Queensland Bauxite Limited's Projects.
- This presentation has been prepared by Queensland Bauxite Limited. It should not be considered as an offer or invitation to subscribe for or purchase any securities in the Company or as an inducement to make an offer or invitation with respect to those securities. No agreement to subscribe for securities in the Company will be entered into on the basis of this presentation or any information, opinions or conclusions expressed in the course of this presentation.
- This presentation is not a prospectus, product disclosure document or other offering document under Australian law or under any other law. It has been prepared for information purposes only. This presentation contains general summary information and does not take into account the investment objectives, financial situation and particular needs of any individual investor. It is not financial product advice and investors should obtain their own independent advice from qualified financial advisors having regard to their objectives, financial situation and needs. Neither QBL nor any of their related bodies corporate is licensed to provide financial product advice.
- This presentation and information, opinions or conclusions expressed in the course of this presentation contains forecasts and forward looking information. Such forecasts, projections and information are not a guarantee of future performance, involve unknown risks and uncertainties. Actual results and developments will almost certainly differ materially from those expressed or implied.
- There are a number of risks, both specific to QBL, and of a general nature which may affect the future operating and financial performance of QBL, and the value of an investment in any of those entities including and not limited to economic conditions, stock market fluctuations, bauxite demand and price movements, timing of access to infrastructure, timing of environmental approvals, regulatory risks, operational risks, reliance on key personnel, reserve and resource estimations, native title and title risks, foreign currency fluctuations, and mining development, construction and commissioning risk. The production targets in this presentation or expressed during the course of this presentation are subject to completion of the necessary feasibility studies, permitting and execution of all necessary infrastructure agreements.
- You should not act or refrain from acting in reliance on this presentation, or any information, opinions or conclusions expressed in the course of this presentation. This presentation does not purport to be all inclusive or to contain all information which its recipients may require in order to make an informed assessment of the prospects of QBL. You should conduct your own investigation and perform your own analysis in order to satisfy yourself as to the accuracy and completeness of the information, statements and opinions contained in this presentation before making any investment decision. No representation or warranty, express or implied, is made in relation to the fairness, accuracy or completeness of the information, opinions and conclusions expressed in the course of this presentation. To the maximum extent permitted by law, each of QBL and their respective officers, employees, agents and advisors expressly disclaim any responsibility or liability for any direct, indirect or consequential loss or damages suffered by any person, as a result of or in connection with this presentation or any action taken by you on the basis of the information, opinions or conclusions expressed in the course of this presentation.
- All references to future production and production targets and port access made in relation to QBL are subject to the completion of all necessary feasibility studies, permitting, construction, financing arrangements port access and execution of infrastructure-related agreements. Where such a reference are made, it should be read subject to this paragraph and in conjunction with further information about the Mineral Resources and Ore Reserves, as well as the Competent Persons' Statements.
- This presentation and information, opinions or conclusions expressed in the course of this presentation should be read in conjunction with QBL's other periodic and continuous disclosure announcements
- References to targets of Bauxite "tonnage", "reserves", "resources", "ore" and "grades" are only conceptual in nature as, where these targets are mentioned there has been insufficient or unverified exploration data to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.
- The information in this presentation to which this statement is attached that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dr Robert Coenraads (BA Hons, MSc, PhD). Dr Coenraads is a fellow of the Australasian Institute of Mining and Metallurgy. Dr Coenraads has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which they are undertaking and to qualify as Competent Persons as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources or Ore Reserves". Dr Coenraads consents to the inclusion in the presentation of the matters based on their information in the form and context in which it appears.