



AUSTRALIAN BAUXITE LIMITED
ASX: ABZ

ASX ANNOUNCEMENT
13 June 2012

**About Australian Bauxite Limited:
ASX Code ABZ**

Australian Bauxite Limited (ABx) holds the core of the newly discovered Eastern Australian Bauxite Province. Its 40 bauxite tenements in Queensland, NSW and Tasmania covering 8,700 km² were rigorously selected on 3 principles:

1. good quality bauxite;
2. proximity to infrastructure connected to export ports; and,
3. free of socio-environmental or native title land constraints.

All tenements are 100% owned and free of obligations for processing and third party royalties. ABx has already discovered many bauxite deposits and new discoveries are still being made as knowledge and expertise grows.

The company's bauxite is high quality and can be processed into alumina at low temperature – the type that is in short supply globally. **Global resources declared to date total 98.7 million tonnes.** At the company's first drilling prospect in Inverell, northern NSW, a resource of 38.0 million tonnes¹ has been reported from drilling 15% to 20% of the area prospective for bauxite and a resource of 37.9 million tonnes² of bauxite has been reported at the Taralga project in southern NSW. A 6.0 million tonnes maiden resource was declared at Guyra³. A 16.8 million tonnes⁴ maiden resource has been declared at the Binjour Plateau in central QLD, confirming that ABx has discovered a significant bauxite deposit including some bauxite of outstandingly high quality. Australian Bauxite Limited aspires to identify large bauxite resources in the Eastern Australian Bauxite Province, which is emerging as one of the world's best bauxite provinces.

ABx has the potential to create significant bauxite developments in three 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.

Share Purchase Plan

On 8 June 2012, Australian Bauxite Limited (ABx) (ASX: ABZ) announced a Share Purchase Plan (SPP) offering eligible shareholders the opportunity to purchase shares in ABx without brokerage or other related charges.

Shareholders can purchase for \$0.39 per share, which is the same price paid by brokers and professional investors in the recently completed placement.

Participation in the Offer is optional and is open to Eligible Shareholders who were holders of Shares in ABx at 5.00 pm (EST) on 7 June 2012 and whose registered address is in Australia or New Zealand.

Shareholders can purchase shares totalling up to \$15,000.

Funds raised through the SPP will be used to progress the company's drilling and development programs and to provide working capital.

Shares issued under the SPP will rank equally with existing shares.

Indicative Dates

Record Date	7 June 2012
Announcement of the Share Purchase Plan	8 June 2012
Documents mailed to Eligible Shareholders	14 June 2012
Opening date for acceptances	14 June 2012
Closing date for acceptances	11 July 2012
Allotment and issue of New Shares	18 July 2012
Quotation of New Shares on ASX	18 July 2012
Dispatch of shareholder statements	20 July 2012

Full details of the SPP and Application Forms have been sent to all eligible shareholders, copies of which are attached.

For further information please contact:

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ABx Project Locations

JORC Compliant Resource Statements

The following are Joint Ore Reserve Code ("JORC")-compliant Public Reports released to the ASX declaring the JORC resources referred to. These can be viewed on the ASX website and the Company will provide these reports, free of charge on request.

- 1 08/05/2012 ASX Inverell JORC Resource Update, 38.0 Million Tonnes
- 2 30/05/2012 ASX Goulburn-Taralga Bauxite Resource up by 50% - 38 Million Tonnes
- 3 15/08/2011 ASX Maiden Guyra Resource, 6.0 Million Tonnes
- 4 12/10/2011 ASX Binjour Maiden Resource, 16.8 Million Tonnes