



AUSTRALIAN BAUXITE LIMITED
ASX: ABZ

ASX ANNOUNCEMENT
28 January 2014

About Australian Bauxite Limited ASX Code ABZ

Australian Bauxite Limited (ABx) is well advanced to establish its first mine in Tasmania (ML 1961).

ABx holds the core of the newly discovered Eastern Australian Bauxite Province. Its 42 bauxite tenements in Queensland, NSW and Tasmania covering 6,534 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 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. ABx conducts vigorous reviews of the commercial viability of its projects and tenements, resulting in new acquisitions, but also reductions in area as exploration is conducted.

The company's bauxite is high quality and can be processed into alumina at low temperature – the type that is in short-supply globally.

On the mainland, ABx has declared Mineral Resources in Inverell, northern NSW, at its Taralga project in southern NSW; at Guyra and at the Binjour Plateau in central QLD confirming that ABx has discovered a significant bauxite deposit including some bauxite of outstandingly high quality.

In Tasmania, at Bald Hill, the Company's first bauxite mine is targeted for production in late 2014.

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.

Capital Raising and Share Purchase Plan

Australian Bauxite Limited (ABx) (ASX: ABZ) advises that it has agreed to a placement of 2,320,791 fully paid ordinary shares at A24.3 cents per share to AAM Alpha Funds PLC – Ausonio Fund for a total US\$500,000 (A\$563,952) (**Placement**).

In order to give existing shareholders an opportunity to invest at the same price as the Placement, ABx will offer shareholders the right to participate in a Share Purchase Plan through which they can acquire additional shares in the Company.

Shareholders will have the opportunity to apply for up to \$15,000 New Shares in ABx under the Share Purchase Plan without brokerage or other related charges.

The Offer will open on 5 February 2014 and will remain open until 5.00 pm (EST) on 6 March 2014.

The Offer Price is A24.3 cents per New Share, which is the same price as the 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 24 January 2014 and whose registered address is in Australia or New Zealand.

The funds raised will be applied to progress the Company's trial mining, delineation of the Fingal Rail mine lease, exploration drilling at DL-130 nearer to Bell Bay, Bald Hill mine establishment and development programs, and to provide working capital.

Full details of the Share Purchase Plan will be provided to shareholders next week.

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ABx Project Locations