



AUSTRALIAN BAUXITE LIMITED

ASX:ABX

ASX ANNOUNCEMENT

30 October 2014

About Australian Bauxite Limited

ASX Code ABX

Australian Bauxite Limited (ABx) is establishing its first mine in Tasmania and holds the core of the Eastern Australian Bauxite Province. ABx's 37 bauxite tenements in Queensland, New South Wales & Tasmania covering 5,029km² 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 3rd party royalties.

ABx's discovery rate is increasing as its technology & expertise grows.

The Company's bauxite is gibbsite trihydrate bauxite with low silica contamination & can be processed into alumina at low temperature – the type in short supply globally.

ABx has declared 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.

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

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 & Tasmania. Its bauxite deposits are favourably located for direct shipping of bauxite to both local & export customers.

ABx endorses best practices on agricultural land, strives to leave land & environment better than we find it.

We only operate where welcomed.

Directors / Officers

Paul Lennon	Chairman
Ian Levy	CEO & MD
Ken Boundy	Director
Kon Tsiakas	Director
Henry Kinstlinger	Company Secretary
Julian Rockett	Company Secretary

Presentation at Mining 2014 Resources Convention

In accordance with the requirements of Listing Rule 3.1 we submit the attached material being presented today at the Mining 2014 Resources Convention.

Julie Young is making the presentation.

For further information please contact

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AUSTRALIAN BAUXITE LIMITED



On the Path to Production Dec'14
Mining Lease Granted & Full Public Support
Strategic Partner & Contractors Selected
Project Fully-Funded

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Forward Looking Statement

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Competent Person Statement

Information herein relating to Exploration Results, Mineral Resources and Exploration Targets is based on information compiled by Ian Levy BSc, MSc, who is a Fellow of the Australasian Institute of Mining and Metallurgy and a Fellow of the Australian Institute of Geoscientists. Mr Levy is employed by ABx as Chief Executive Officer. Mr Levy has more than five years experience relevant to the style of mineralisation and type of deposit being reported and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the JORC Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. This report is issued with the prior written consent of the Competent Person as to the form and context in which it appears.

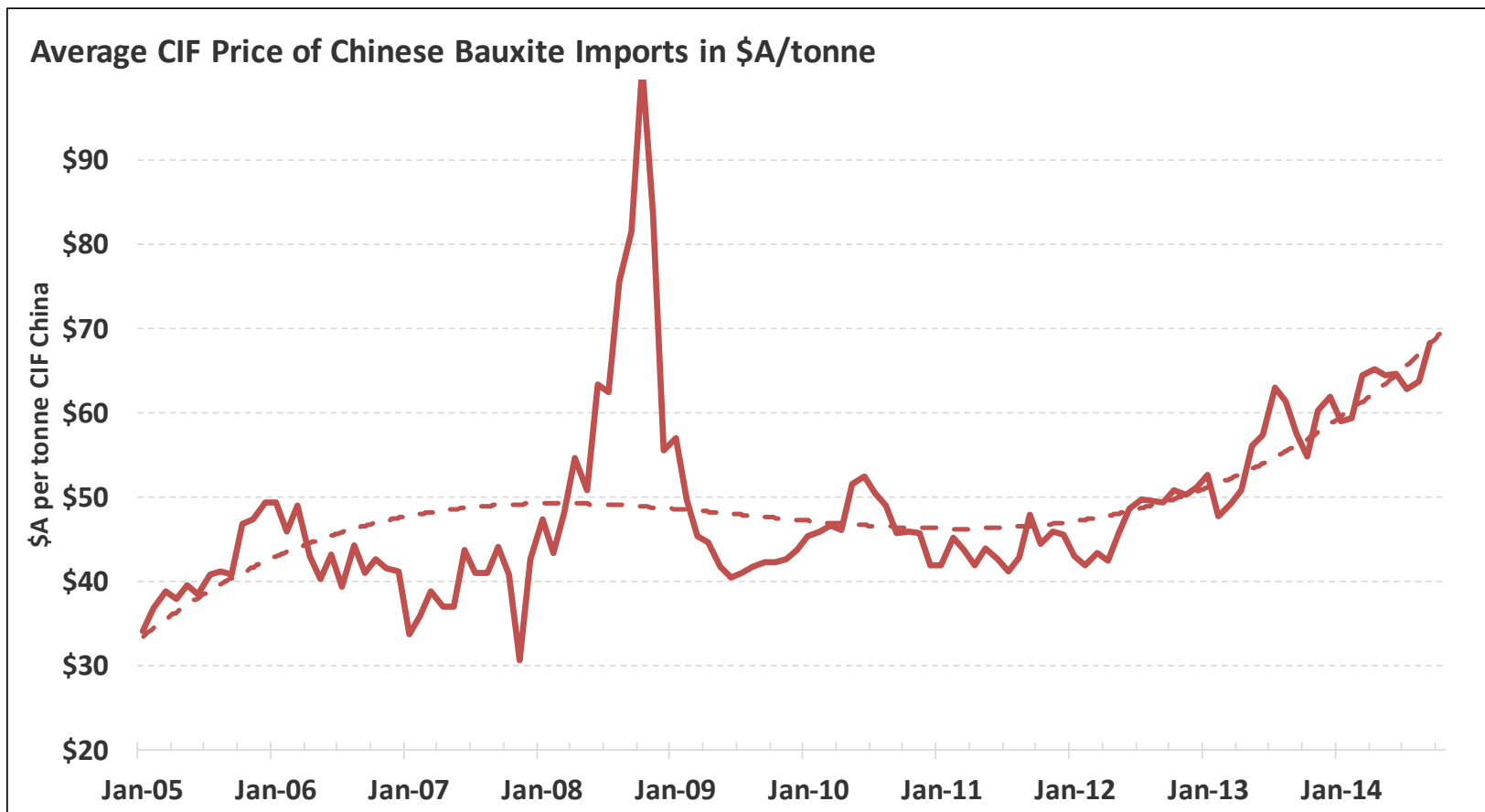
The information in this report relating to Mineral Resources was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

Direct Shipping Ore

In this presentation all references to direct shipping ore (DSO) refers to the company's exploration objective of defining DSO grade mineralisation. The potential quantity and grade of exploration targets is conceptual in nature, there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

Bauxite Prices Rising Strongly in A\$

US\$ prices rising & Fx rate falling - with more upside to come



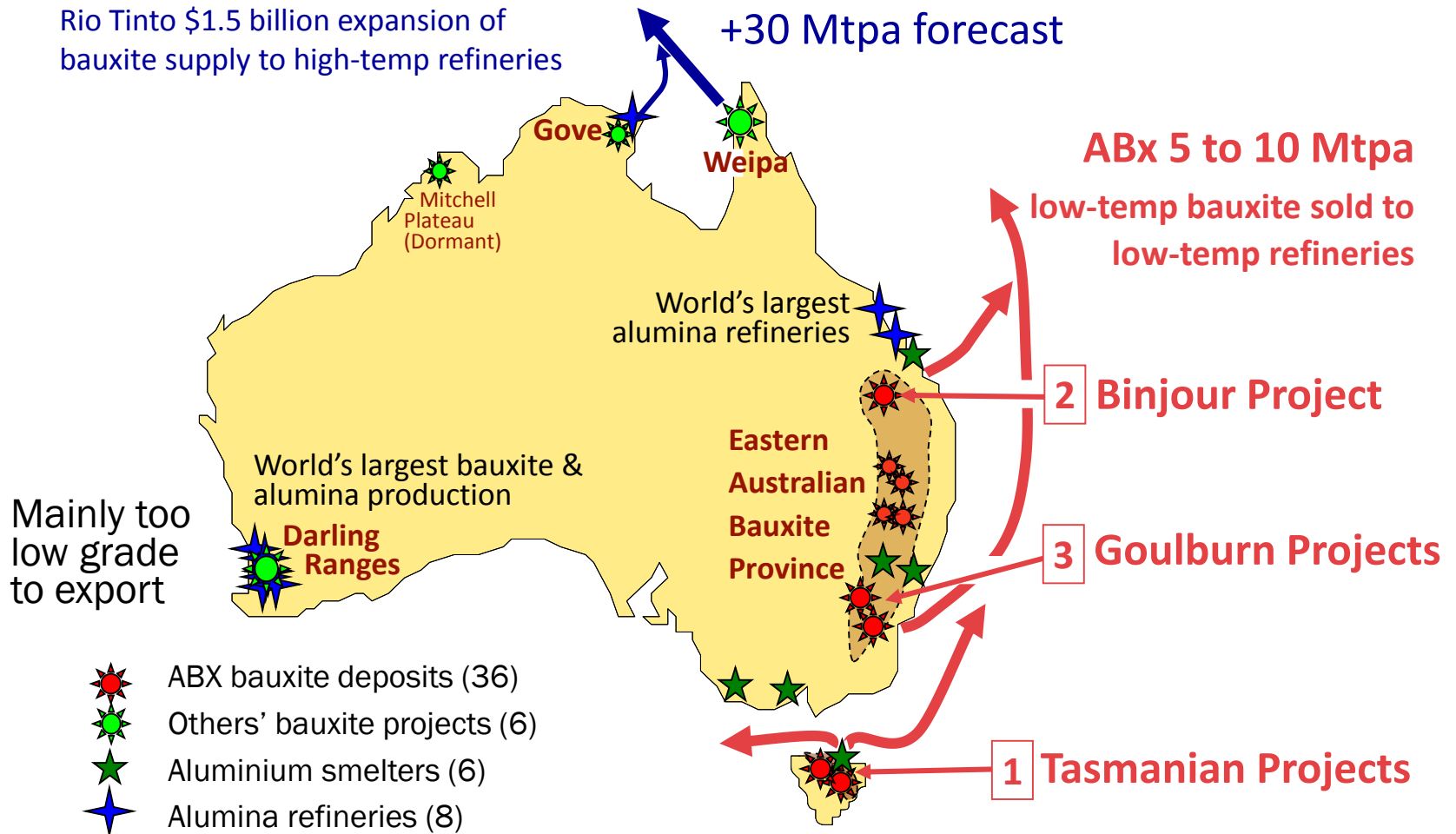
Source: C&M, China Customs, Bloomberg & RBA fx rates

ABX's OPPORTUNITY IS NOW

ABx Investment Highlights

- ✓ First Mine Lease Granted – at Bald Hill, Tasmania
- ✓ Strategic alliance with Noble Group. **Project fully funded**
- ✓ Public disclosure period completed. **100% public support**
- ✓ Experienced contractors selected. **Gearing-up**
- ✓ Production starts Dec'14. **Cash flow within 6 months**
- ✓ Quality bauxite projects, close to infrastructure, with no socio-economic impediments
- ✓ Track record of quality bauxite discoveries
- ✓ Substantial exploration and development potential in:
 - **Tasmania (first mines)**
 - **Queensland (largest projects)**
 - **New South Wales (large projects – thickest bauxite)**

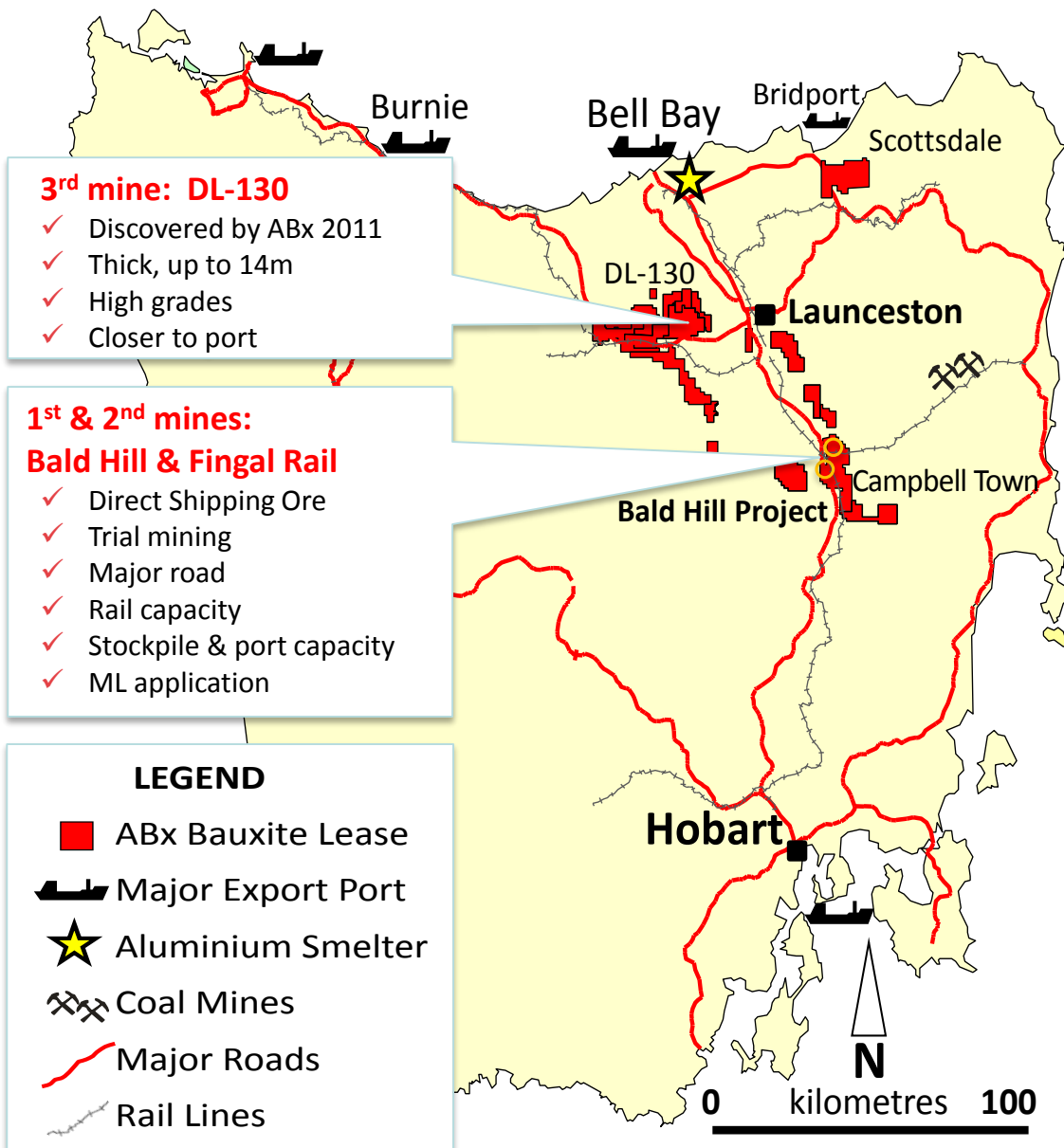
Australia Increasing Bauxite Exports



Rio exports high temperature bauxite to China's high temp refineries

ABX will supply low temperature bauxite to low temperature refineries

Projects Location & Infrastructure in Tasmania

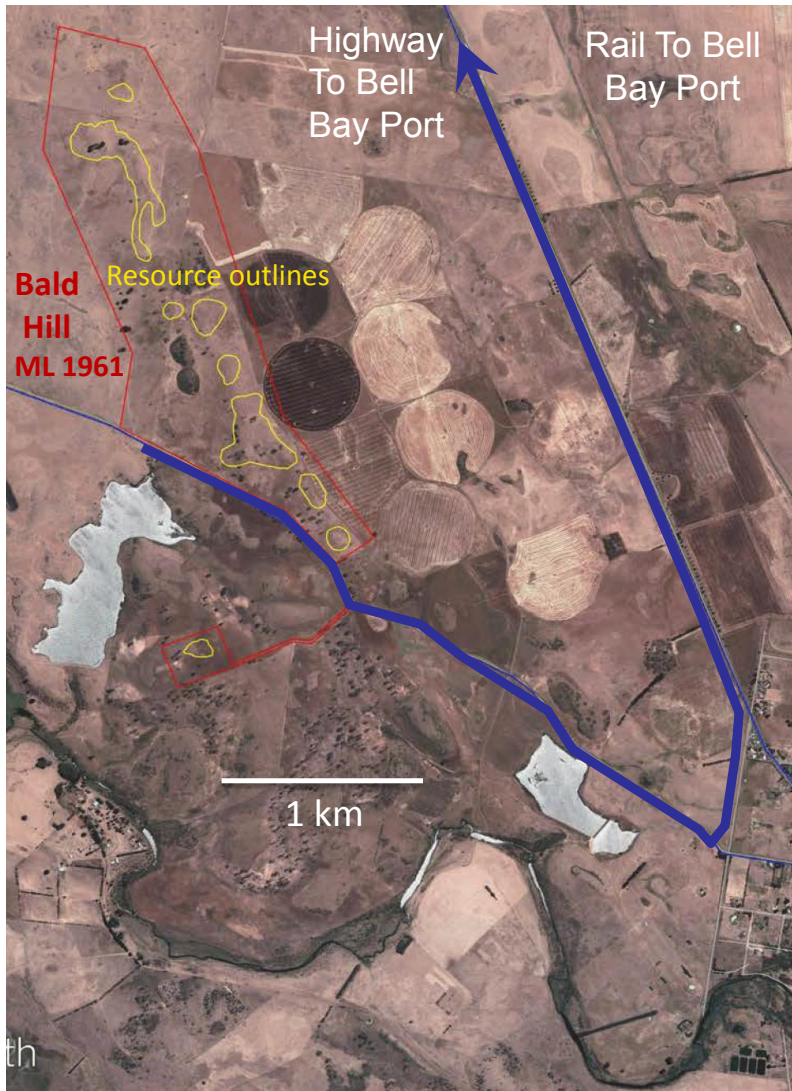


100km by Road or Rail

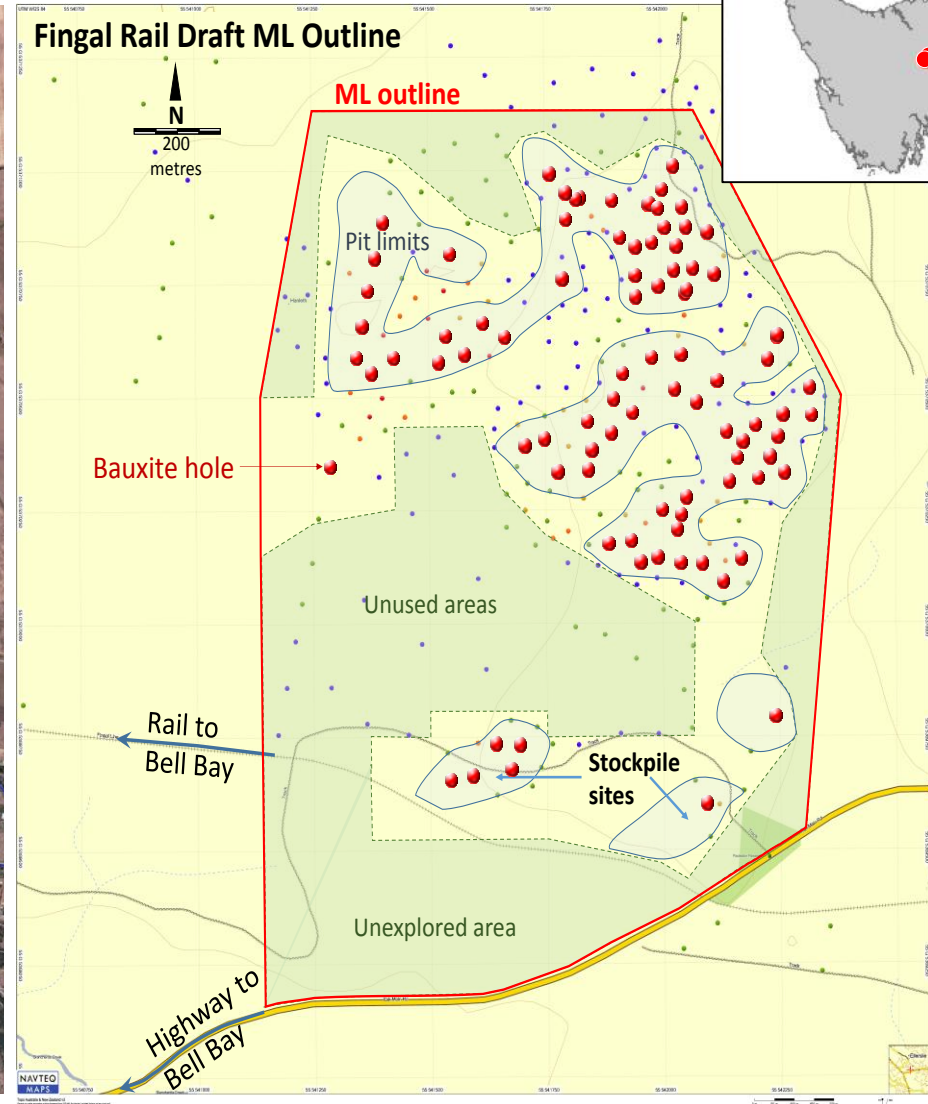


First 2 Mining Leases defined in Tasmania

Bald Hill ML 1961

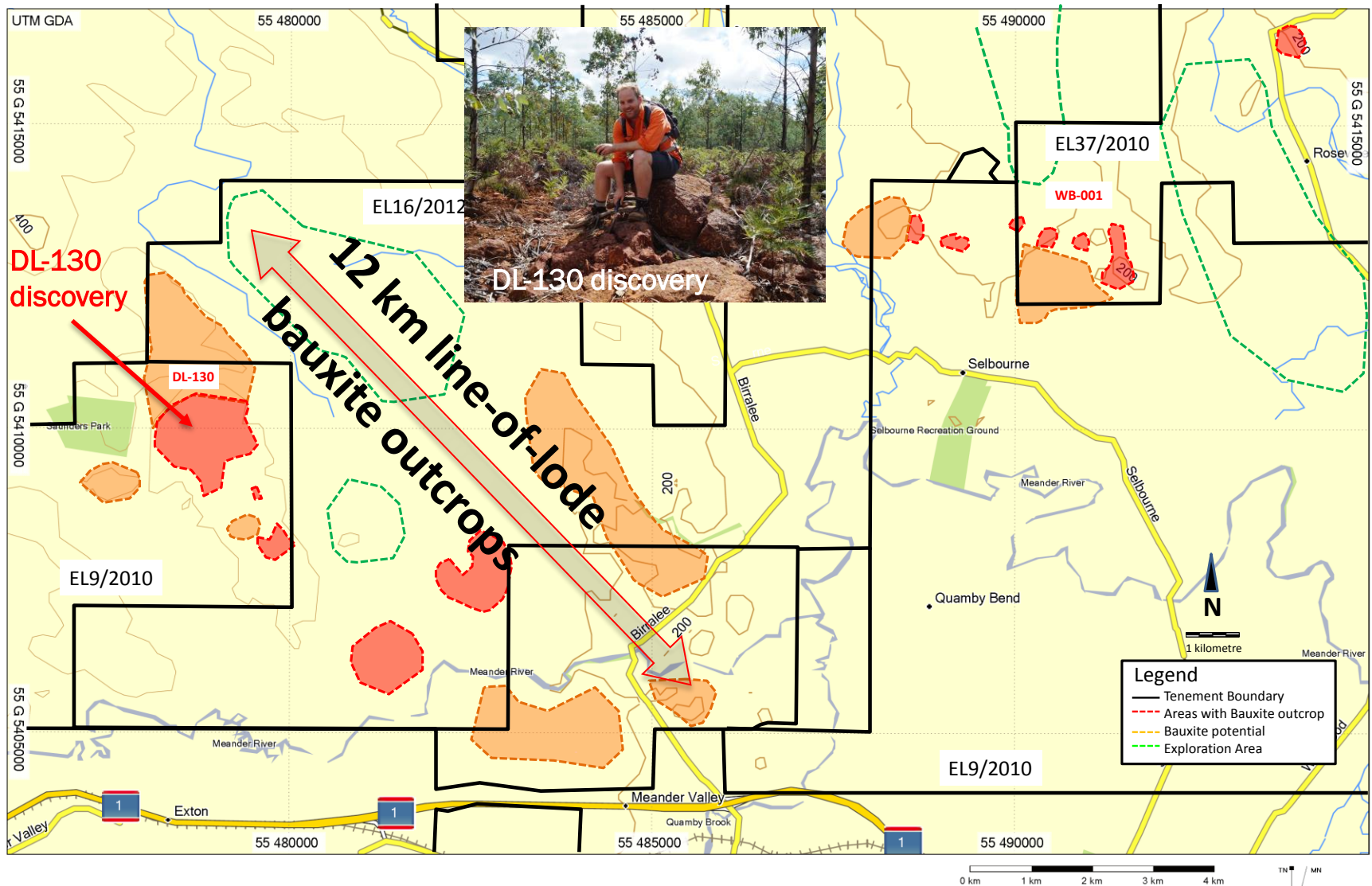


Fingal Rail ML



Third Mining Lease Target at DL-130

Thickest high-grade bauxite in Tasmania, up to 14 metres thick



Testing Bauxite Projects in Tasmania

Bulk test pits



Dry screening bulk samples



Bald Hill bauxite product



Fingal Rail bauxite product



Bald Hill Bauxite as Mined



Fingal Rail Bauxite as Mined



Bulk samples sent to customers

Capital & Operating Costs



Item	Amount
Site mobilisation	\$1.5 m
Net site establishment	\$2.0 m
Road upgrade	\$1.0 m
Contingency (25%)	\$0.5 m
Initial capital	\$5.0 m
Working capital	\$1.0 m
Later Expansion	[\$7.5 m]
Shiploader in 2016 (will be hired)	

Item	A\$/t FOB
Mining & screening	\$8.00/t
Administration & landholder dealings	\$1.60/t \$0.80/t
State royalty	\$0.50/t
Road haul	\$12.80/t
Port costs	\$7.00–\$8.00/t
Total FOB	A\$31–A\$33/t
Shipping	US\$19–US\$22/t



**A\$10–A\$20/t margin
based on current
bauxite prices**

CBIX Index = US\$74.50/t

**Indian Bx = US\$64/t
CIF China**

ABx Development Path

- TASMANIA

- 1st Mining Lease Granted, 2nd Mining Lease underway & 3rd mine target identified – with 12 km line-of-lode potential
- Noble Group funding \$6m + \$2m stand-by: fully funded
- Public disclosure completed – 100% public support for project
- Starting production at 0.5 Mtpa, increasing to 2 Mtpa over 2 years
- Port stockpile ready at Bell Bay. Can take +60kt Post Panamax
- Initial capital costs less than A\$6 million
- Operating costs less than A\$34/tonne FOB
- Project starts Dec'14 using expert mine, truck, rail contractors

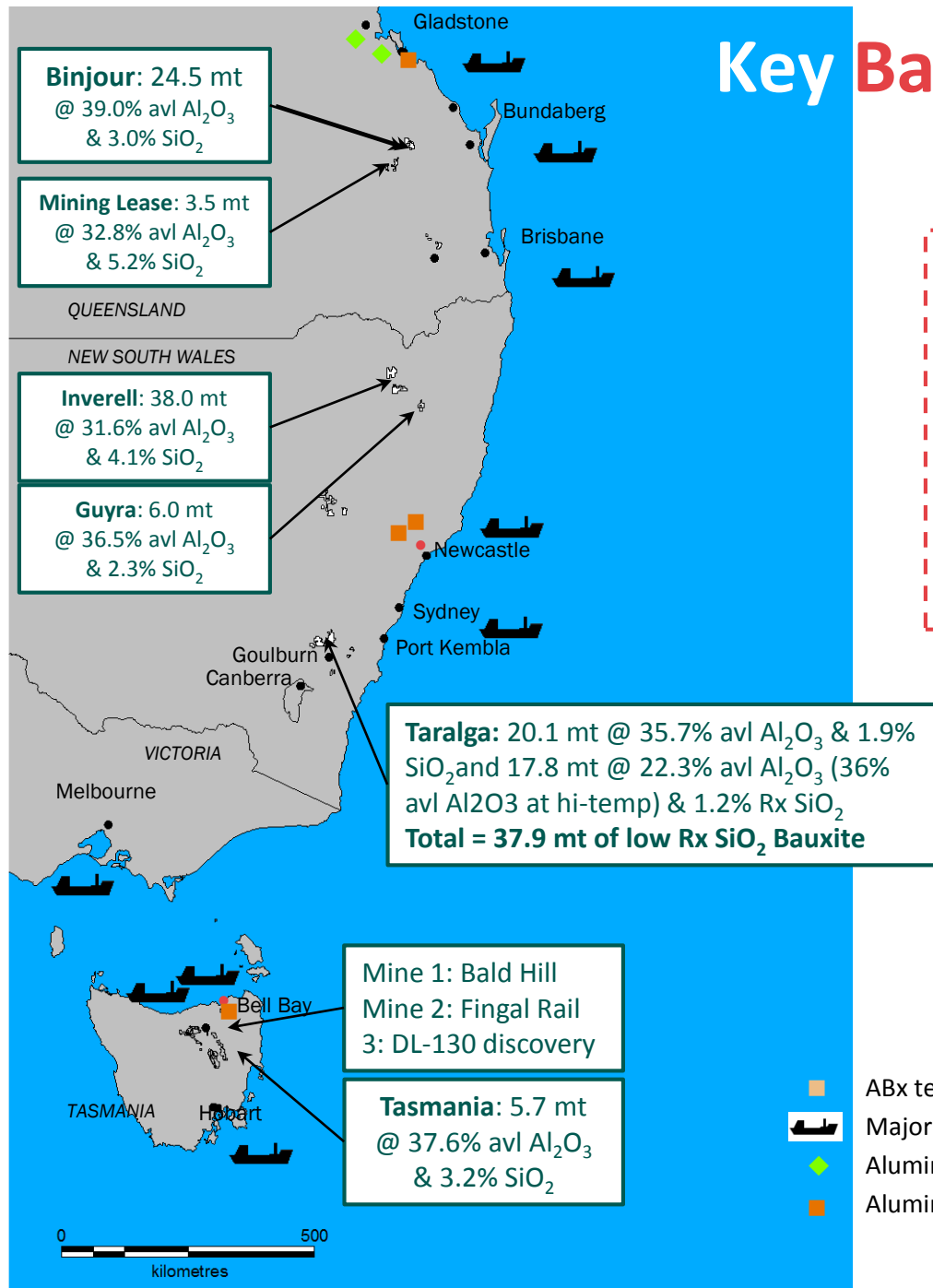
- BINJOUR, QUEENSLAND

- Major flagship project. Best bauxite play in Pacific Basin?
- Infrastructure studies awaits QLD Elections

- NEW SOUTH WALES

- Goulburn project ready to go when Port Kembla is ready in 2018

Key Bauxite Projects Details

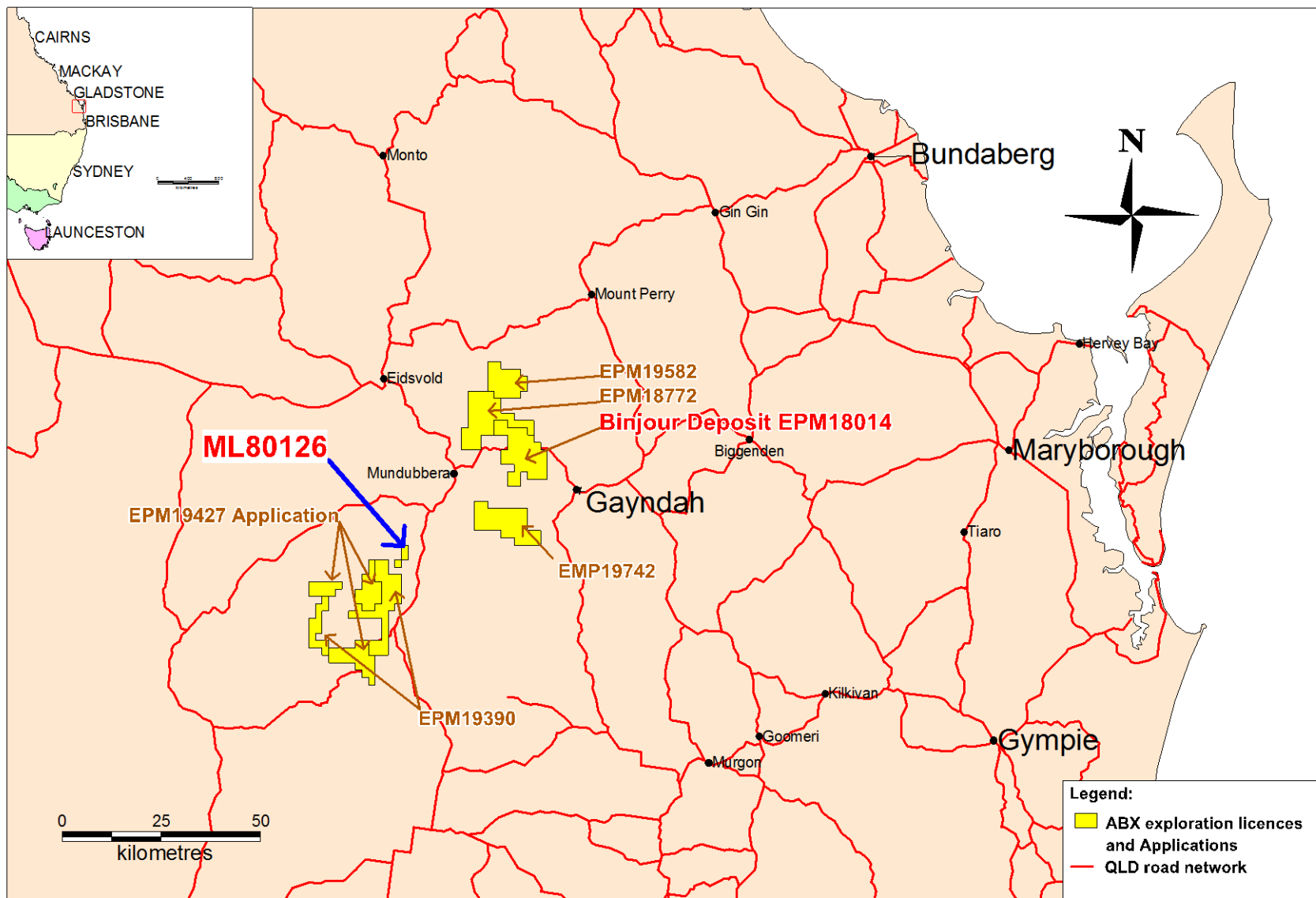


- Low temperature bauxite
- 116 mt total mineral resources
- Near surface, easily mined
- Thickest bauxite in Australia
- Ideal infrastructure & socio-economic setting

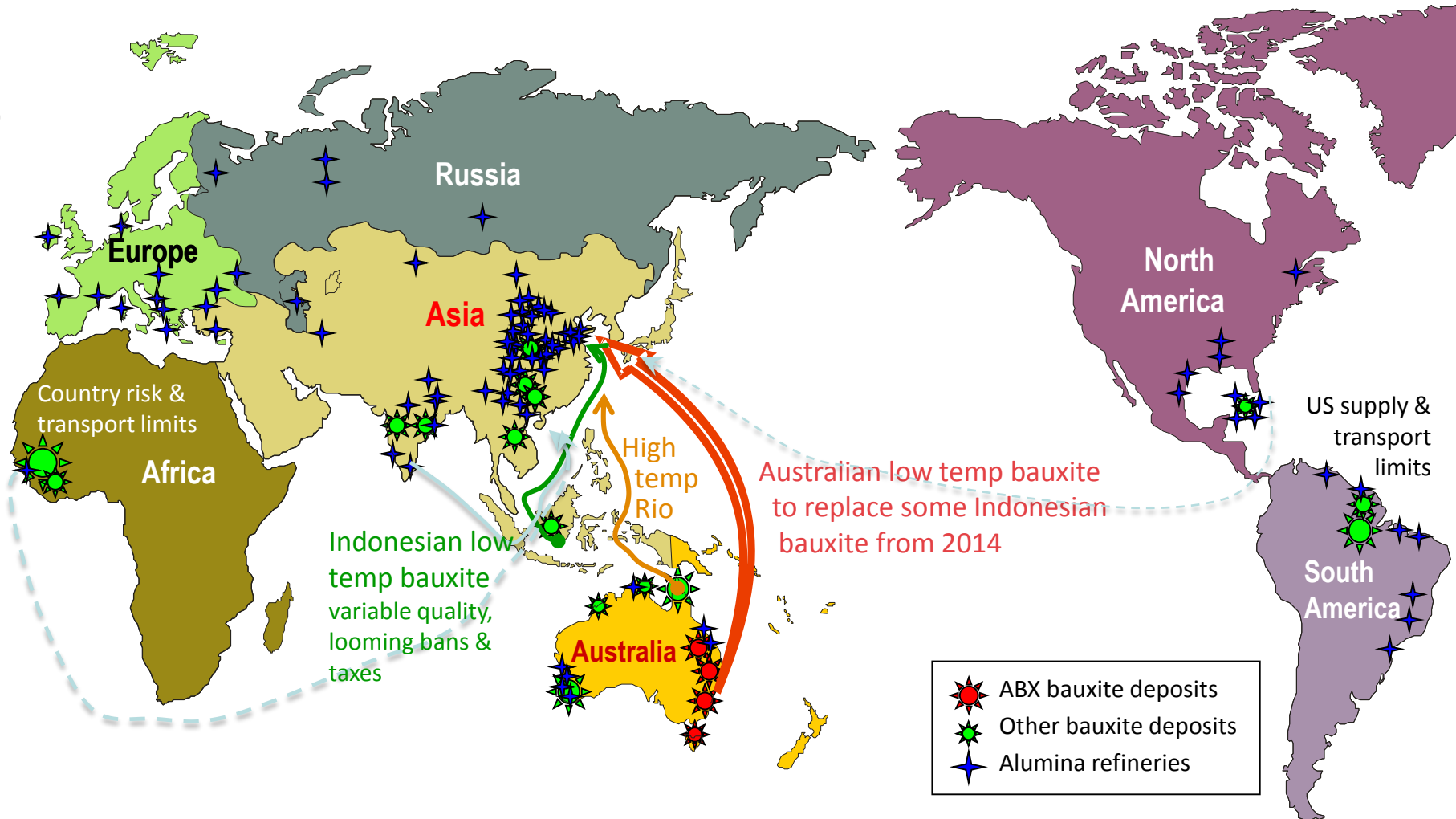
- ABx tenement/project
- Major port
- ◆ Alumina refinery
- Aluminium smelter

Binjour Bauxite Project, Queensland

Thick, large, highest grade new trihydrate gibbsite bauxite project in Pacific Basin



China's Bauxite Demand & Feed Sources



China's huge alumina capacity **needs to import 50-70 Mtpa of bauxite**. Indonesian export ban since Jan 2014 means Australia can supply more to China's 38 large refineries. **India is now also importing bauxite.**

Opportunity for Australian Bauxite

Chinese bauxite imports fell 70% after Jan 2014
Indonesian export bans – recovering like in 2012 but
Indonesia has banned bauxite exports.

Bauxite imports into China

million tonnes per month



Source: C&M, China Customs, Bloomberg

Indonesian supply ended 12 Jan'14 & export tax increased from 20% to 50%

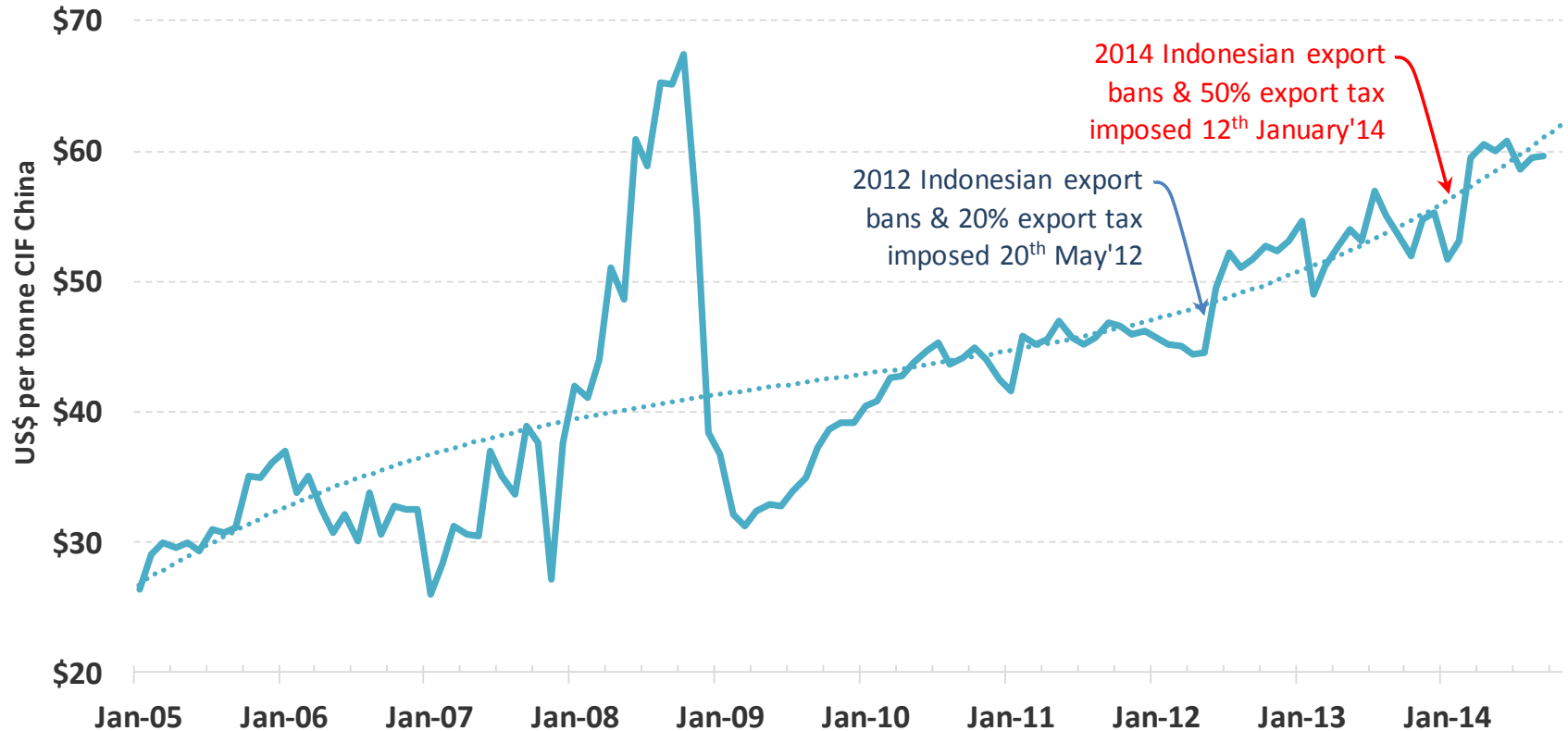
ABX's OPPORTUNITY IS NOW

Chinese Bauxite Prices Rising Strongly

China currently buys bauxite from "exotic" suppliers* at prices up to US\$90/t

Average Price of Chinese Bauxite Imports

US\$/tonne CIF China



* eg. Brazil, Dominica, Fiji, Ghana, Guinea - all with punitive transport costs

Source: C&M, China Customs, Bloomberg

ABX's OPPORTUNITY IS NOW

ABx Bauxite Quality

- 116 million tonnes Mineral Resources
- Surface, easily mined, thickest bauxite in Australia
- Low temperature type
- Trihydrate gibbsite bauxite with very low silica

42% Al_2O_3 3% SiO_2 23% LOI

- **ABx bauxite** \approx Indonesian bauxite



Penrose NSW – old quarry, 14 December 2011



Corporate Overview

ASX code	ABX
Listed	24 Dec 2009 @ \$0.20
Issued shares	127.0 million
Options	3.7 million
52 week range	\$0.16 - \$0.28
Average daily volume	150,000
Market cap (@ \$0.30)	\$38 million
Cash (30 Sept 2014)	\$1.6 million
Shareholders	2,900

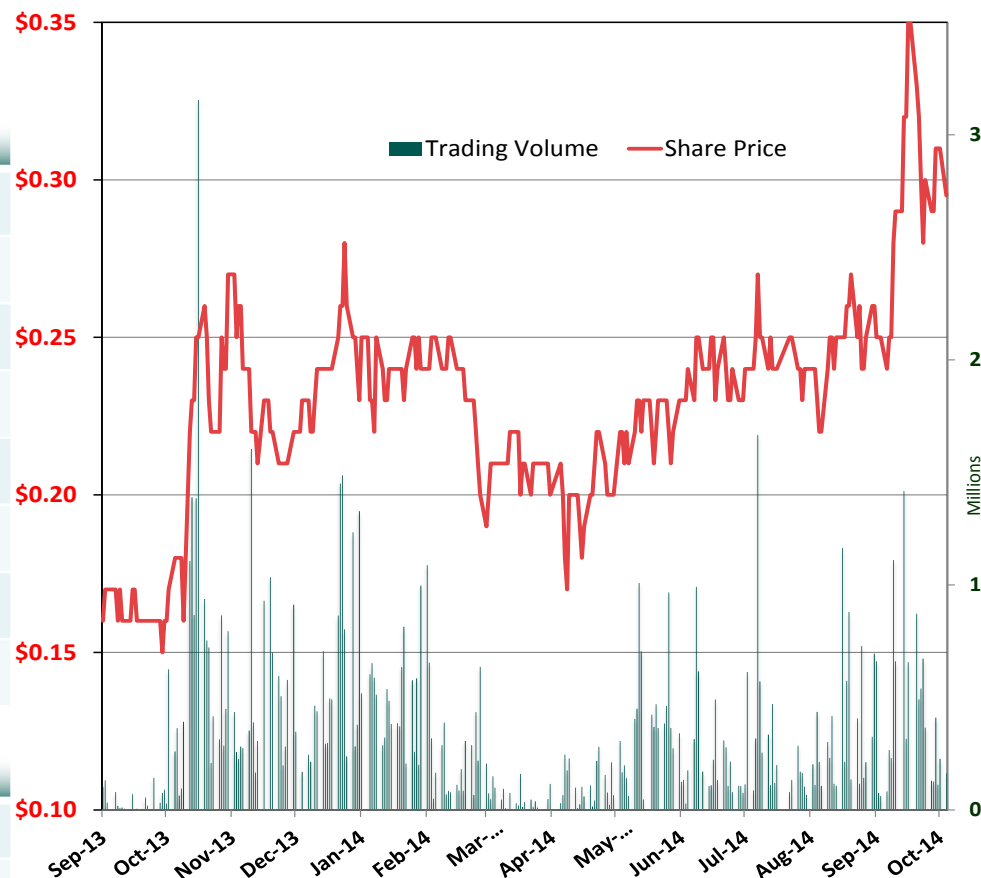
Board of Directors & Management

Paul Lennon ¹	Chairman
Ian Levy	Managing Director & CEO
Ken Boundy ²	Non-Executive Director
Kon Tsiakis	Non-Executive Director
Henry Kinstlinger	Company Secretary
Jacob Rebek ³	Chief Geologist

¹ ex-Premier of Tasmania and investor in China

² Investor in Tasmania tourism industry. Held senior public positions

³ ex-CRA-Rio Tinto Chief Geologist. Led discovery team for Century (1993) and Easten Australian Bauxite (2006-09)



Major Shareholders

Major Shareholders	Shares	%
RNB Resources	11.5 m	9.0
Gleneagles Securities	10.6 m	8.3
State One Capital	7.3 m	5.8
Soul Pattinson	6.3 m	4.96
Top 20 shareholders	52.4 m	41.3

Good Landholder Relations

ABX endorses best practices on agricultural land to leave land and environment better than we find it. We only operate where we are welcomed



ABx JORC Mineral Resources

Project	Category	Tonnes	Thickness	Avl Al_2O_3 at 143 °C	Rx SiO_2	Avl/Rx	Al_2O_3	SiO_2	A/S	Fe_2O_3	TiO_2	LOI	Lab Yield	OB	Int W
		millions	m	%	%	x	%	%	x	%	%	%	%	m	m
TASMANIA ¹	Inferred	5.7	3.8	37.6	3.2	11.9	44.1	4.3	10.4	22.8	3.1	25.0	55	1.5	0.1
	DSO	3.0	4.0	32.6	4.6	7.0	40.5	5.6	7.2	24.9	3.9	23.2	100	1.8	0.0
BINJOUR ²	Inferred	9.0	3.9	38.0	3.8	10.0	43.7	4.5	9.7	22.4	3.6	24.2	59	8.2	0.3
	DSO Indicated	15.5	5.3	39.5	2.6	15.1	44.2	3.1	14.5	23.4	3.7	24.9	62	9.4	0.3
	Total	24.5	4.8	39.0	3.0	12.8	44.1	3.6	12.3	23.1	3.7	24.6	61	8.9	0.3
TOONDOON ³	Inferred	3.5	4.9	32.8	5.2	6.3	40.2	7.2	5.6	25.3	4.9	21.7	67	1.5	0.0
TARALGA ⁴															
	DSO Inferred	9.9	3.1	35.2	1.9	18.3	40.4	5.7	7.1	24.6	4.1	22.2	54	0.1	0.2
	Indicated	10.2	3.7	36.1	1.9	18.8	41.3	5.3	7.8	25.9	4.0	22.9	55	0.7	0.4
	Total	20.1	5.6	35.7	1.9	18.5	40.8	5.5	7.4	25.3	4.0	22.6	55	0.5	0.3
	PDM-DSO Inferred	7.6	2.5	22.1	1.3	16.8	37.0	6.0	6.1	38.4	3.5	13.3	72	0.2	0.1
	Indicated	10.3	3.1	22.4	1.1	19.8	37.6	3.9	9.5	40.4	3.7	13.5	71	0.7	0.4
	Total	17.8	5.8	22.3	1.2	18.4	37.3	4.8	7.7	39.6	3.6	13.5	72	0.5	0.3
INVERELL ⁵	Inferred	17.5	4.7	31.0	4.2	7.4	39.8	4.8	8.3	27.7	4.3	22.2	61	2.3	
	Indicated	20.5	4.8	32.0	4.0	7.9	40.6	4.7	8.6	26.9	4.1	22.5	60	2.4	
	Total	38.0	4.8	31.6	4.1	7.7	40.2	4.7	8.5	27.3	4.2	22.4	61	2.4	
GUYRA ⁶	Inferred	2.3	4.2	35.0	2.8	12.5	41.4	3.6	11.6	26.2	3.3	24.6	56	3.4	
	Indicated	3.8	5.9	37.4	2.0	18.3	43.1	2.6	16.3	27.3	3.9	24.5	61	4.4	
	Total	6.0	5.3	36.5	2.3	15.8	42.5	3.0	14.3	26.9	3.7	24.5	59	4.0	
GRAND TOTAL		115.7	mt												

Avl Al_2O_3 = available Al_2O_3 at 143 ° C Rx = reactive SiO_2 , 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 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