



# ASX ANNOUNCEMENT

26 September 2016

## AUSTRALIAN BAUXITE LIMITED

ASX: ABX

### About Australian Bauxite ASX Code ABX Latest News: [www.australianbauxite.com.au](http://www.australianbauxite.com.au)

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 km<sup>2</sup> 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 and is perfect for cement manufacture and for fertiliser production.

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.

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 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  
Henry Kinstlinger Secretary

Leon Hawker Chief Operating Officer  
Paul Glover Logistics & Exploration Manager  
Jacob Rebek Chief Geologist

### ABx Sales & New Opportunities Continue to Grow

ABx is selling bauxite into fertiliser and cement markets at prices higher than the currently over-supplied metallurgical bauxite market. ABx's sales of Cement-Grade bauxite in 2016 to date total 42,005 tonnes.

Fertiliser-grade bauxite sales are naturally seasonal and weather-sensitive but ABx has secured a sale of some 3,585 tonnes to date, with a further 1,500 tonnes to be dispatched to the customer before year-end.

ABx has 90 tonnes of cement-grade bauxite undergoing testwork by a new customer with a planned large shipment of cement-grade bauxite scheduled for year-end. The mine product stockpile is currently 18,400 tonnes and growing daily for this cargo.

The sale prices achieved for all sales is satisfactorily profitable and commercial-in-confidence.

### New Customers In Discussions & Signs of Growth

ABx is progressing with two joint offers with its more experienced marketing partner, RawMin to jointly ship large tonnages into both the Middle East and European markets for up to five years.

ABx has also been approached by several large international cement manufacturers seeking bauxite with grades tailored to their specific needs.

ABx's CEO Ian Levy commented; "As the Chinese market for metallurgical bauxite remains subdued, the cement and fertiliser markets are growing strongly.

"ABx's recent announcement of a 5-fold increase in the resource tonnages at its Fingal Rail Project to 6.3 million tonnes shows that ABx can enter into long-term contracts with major cement-grade customers.

"In recent months, several customers have approached ABx seeking metallurgical-grade bauxite

for supply to several countries and ABx will work with Rawmin on these opportunities.

In response to these early signs of a strengthening market, ABx has increased its testing of the TasTech technology that separates ABx's bauxite into its 3 product-components: metallurgical-grade, cement-grade and fertiliser-grade bauxite. Once the robustness of TasTech technology is confirmed, ABx will commence large-scale field trials."

#### For further information please contact:

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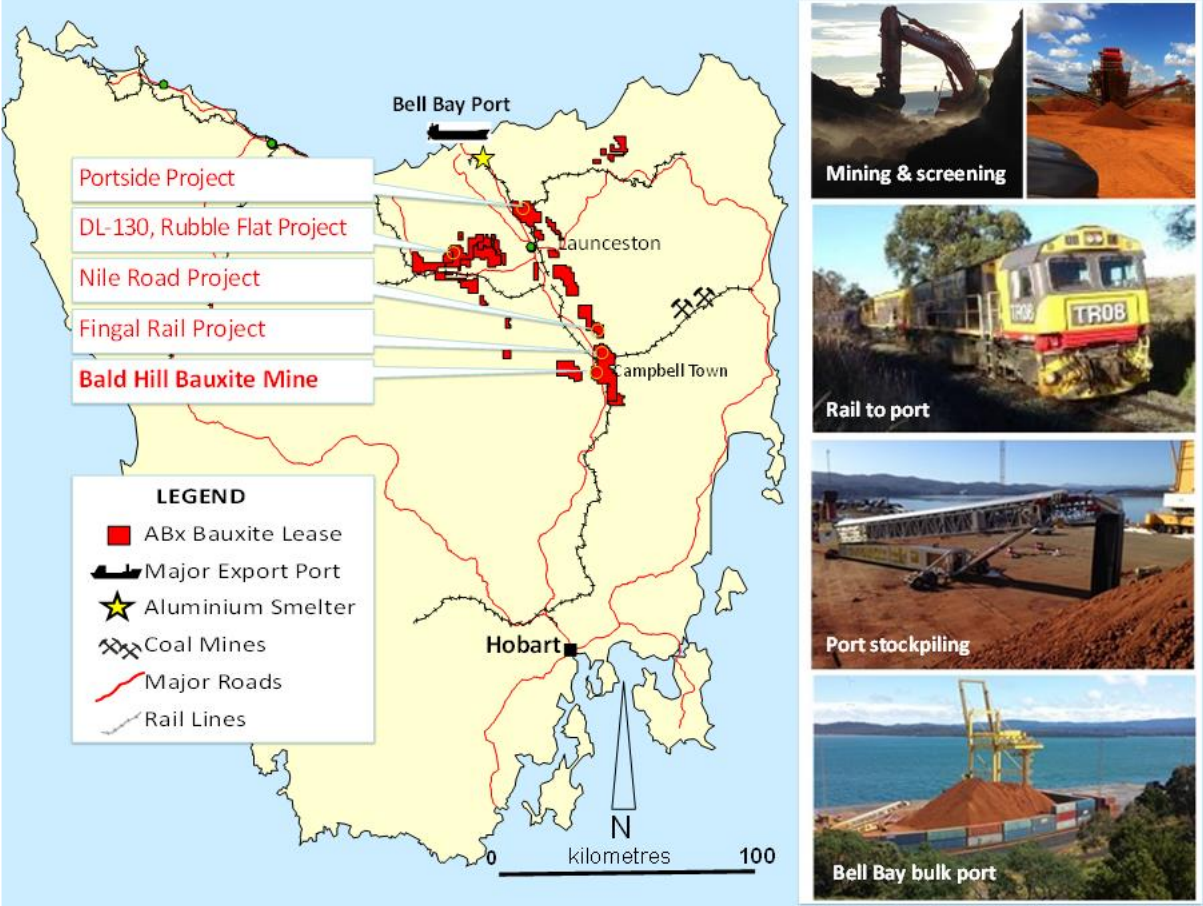


Figure 1: Map showing ABx mines, projects & transport infrastructure in Tasmania.



Figure 2: Bell Bay Port of Launceston can handle ships up to 65,000 tonnes. Loading is managed by QUBE Ports at more than 10,000 tonnes per day, achieving 20,000 tonnes per day during a recent loading

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**CEMENT-GRADE BAUXITE SPECIFICATIONS**

Moisture	7.5% to 9.9%	
Powder less than 2.5mm	10% to 25%	of total shipload by weight
Shipping specification	Group C	non-hazardous, stable. Triple confirmation

**Major Elements**

Al <sub>2</sub> O <sub>3</sub>	34% to 39%	Al <sub>2</sub> O <sub>3</sub> + Fe <sub>2</sub> O <sub>3</sub> guaranteed minimum 60%
Fe <sub>2</sub> O <sub>3</sub>	23% to 32%	Either Al <sub>2</sub> O <sub>3</sub> or Fe <sub>2</sub> O <sub>3</sub> guaranteed 30% minimum
SiO <sub>2</sub>	10% to 20%	to customers' specifications
TiO <sub>2</sub>	2.8% to 3.1%	
LOI - loss on ignition	17% to 24%	

**Minor Elements: all low. No deleterious elements. Low alkalis & SO<sub>3</sub>**

CaO	0.02%	P <sub>2</sub> O <sub>5</sub>	0.04%	MnO	0.03%
MgO	0.07%	V <sub>2</sub> O <sub>5</sub>	0.06%	SO <sub>3</sub> gypsum	0.33%
Na <sub>2</sub> O	0.02%	Cr <sub>2</sub> O <sub>3</sub>	0.06%	SrO	0.01%
K <sub>2</sub> O	0.01%	Zn	0.01%	ZrO <sub>2</sub>	0.03%

**Other bauxite parameters: Trihydrate Gibbsite Bauxite**

Reactive "Rx" SiO <sub>2</sub> at 140 deg C	8% to 18%	∴ Quartz content = 1% to 2% typically & clay content = 20% to 40%
Available "Avl" Al <sub>2</sub> O <sub>3</sub> at 140 deg C	~25% to 34%	∴ Gibbsite content = 38% to 50% typically
Contains no radioactive or fibrous components.		
Clean handling, ideal for transport on land or sea. See <a href="https://www.youtube.com/watch?v=tqSNioU9gEc">https://www.youtube.com/watch?v=tqSNioU9gEc</a> .		
High angle of repose (35 to 45 degrees) in stockpiles		
Bulk density in stockpile	1.35 to 1.40	tonnes per broken cubic metre

**Cement typical parameters**

Sodium Equivalence	0.03% to 0.04%	
Alumina Ratio "AM"	1.15 to 1.45	
Silica Ratio "SM"	0.16 to 0.33	to customers' specifications
C <sub>3</sub> A (tricalcium aluminate)	38% to 52%	
C <sub>4</sub> AF (tetracalcium aluminoferrite)	69% to 88%	

**Particle size distribution "PSD"**

Size	PSD Wt%
+100mm	5% max
25-100mm	15% to 25%
10-25mm	25% to 35%
2.36-10mm	25% to 35%
0-2.36mm	10% to 25%
<b>TOTAL</b>	<b>100.0%</b>



Selective mining



Screening &amp; grade control



Perfect for road, rail &amp; sea transport



Dries fast



Sheds rainwater rapidly



Bell Bay Port



Blending to specification



Low dust, high angle of repose

Figure 3: ABx's Cement Grade Specifications – tailored to suit each customer's preferences

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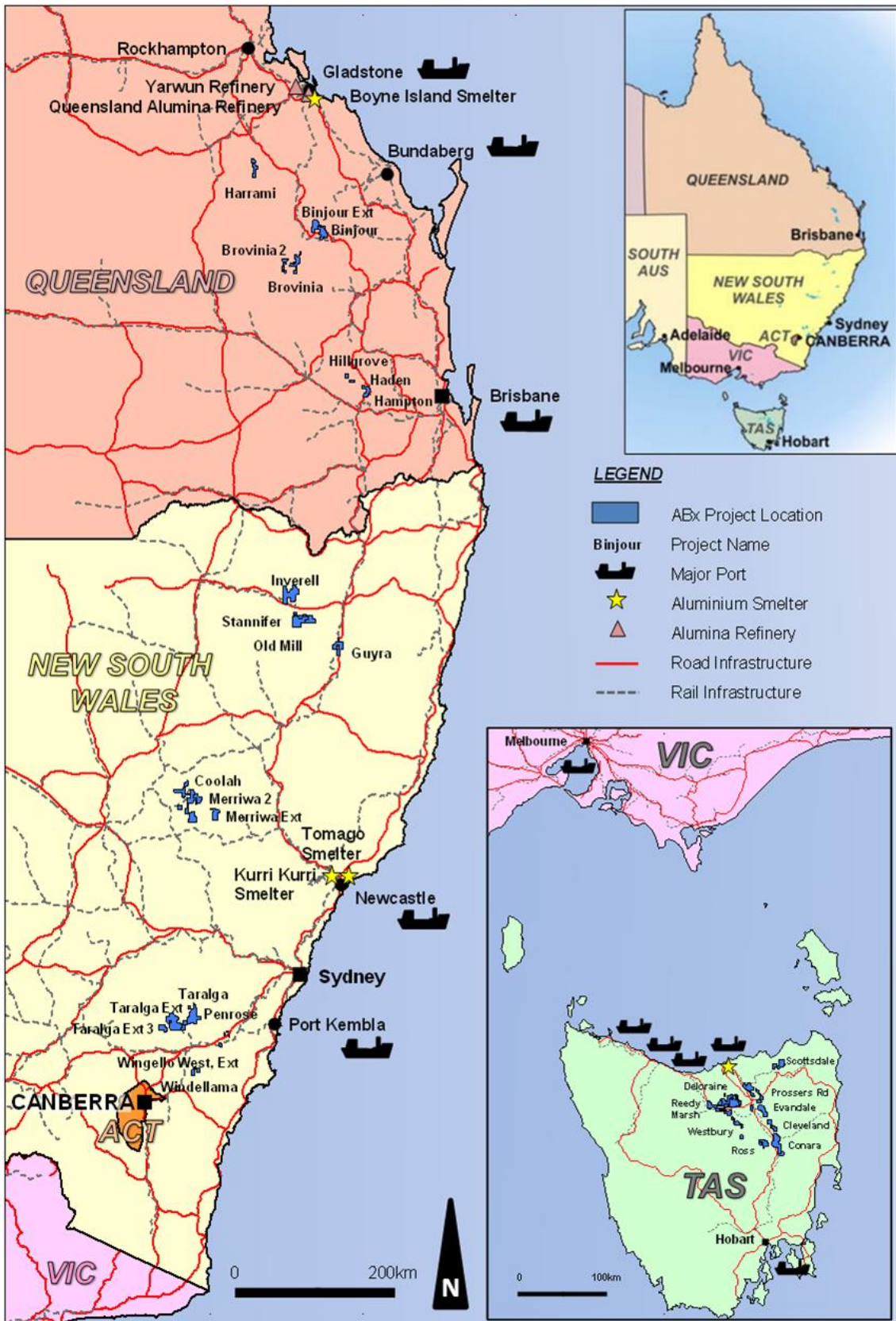


Figure 4: ABx's Project Tenements & Infrastructure in Tasmania, NSW & QLD, Eastern Australia

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