



AUSTRALIAN BAUXITE LIMITED

ASX: ABX

Binjour Bauxite Project in Queensland – Application to Government Lodged

Emerging bauxite producer, Australian Bauxite Limited (ABx) is pleased to announce that it has made an application in conjunction with its marketing partner, Rawmin for a Regional Jobs and Investment grant for the commencement of the Binjour Bauxite Project in the Wide Bay Burnett region of central Queensland for the following purposes:

Project title and description: Binjour Bauxite Mining Project & export from Bundaberg State Development Area (“SDA”), involving production of beneficiated metallurgical-grade and cement-grade bauxite from Binjour for export from Bundaberg Port in the Wide Bay Burnett Region of central Queensland.

Activities and outcomes: Mining, crushing, screening, washing (optional) and production of beneficiated metallurgical-grade and cement-grade bauxite. The export grade bauxite will be transported by high efficiency trucks to an export facility at Bundaberg Port SDA for export to end-users worldwide.

Milestone 1: Collection and Preparation of Marketing Samples
Start October 2017 Bulk sampling of 500 to 2,000 tonnes of bauxite and preparation of marketing samples for the preferred customer to expedite the execution of an offtake sale-purchase agreement for the project.

Milestone 2: Selection of Processing Technology

- Trialling of mining equipment
- Trialling of crushing equipment
- Trialling of dry-screening and wet screening methods
- Analysis of products produced by different methods
- Selecting optimum process flow-sheet

Milestone 3: Simulating large-tonnage shipping from Port of Bundaberg to increase port capacity.
End 30 June 2018 Ship simulations to determine the maximum ship size that could operate at the Port of Bundaberg using loading techniques currently used in similar ports overseas. Bulk shipping costs are critical for the economic viability of this project.

ABx CEO, Ian Levy commented: “Binjour is ABx’s largest and highest grade bauxite project with 28 million tonnes of high grade trihydrate gibbsite bauxite at Binjour and Toondoon ¹. This project needs long-term sales contracts with reliable customers to underpin its economic viability. Marketing partner, Rawmin, has commenced negotiations with potential customers in several countries on our behalf.

The synergies with Rawmin’s own mines in India are substantial because Binjour can supply bauxite during the QLD dry season which is the wet season in India when Indian ports are closed.

Working with Rawmin with regards sales strategy and finance for the project may deliver the Binjour Bauxite Project earlier than expected.

Assistance from the Federal Government’s Regional Jobs and Investment Package scheme would allow us to get started promptly. The assistance of governments and Rawmin are greatly appreciated.”

¹ See Resource Statement

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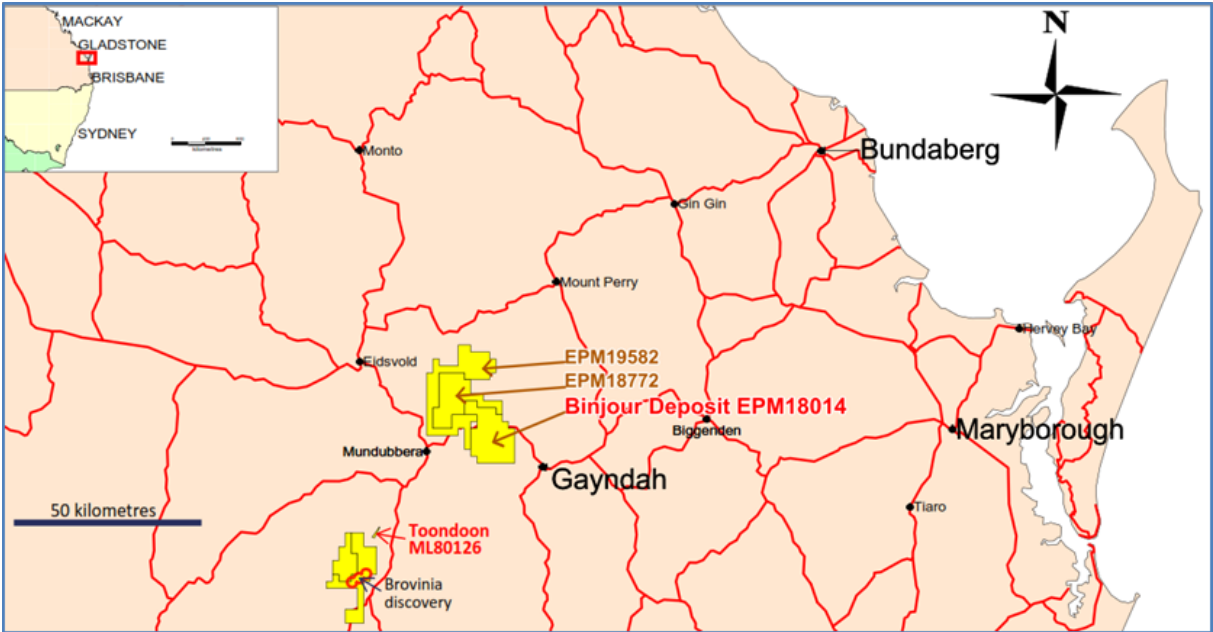


Figure 1: Locations of ABx’s Binjour Project and roads infrastructure. Map shows Binjour deposit, granted ML 80126 at Toondoon and the bauxite discovery at Broyinia. The distance from Binjour to Bundaberg Port is 115kms.



Figures 2 & 3: Bundaberg Port
 This Queensland port is similar in size and scope to the port of Porbandar in Gujarat, India from which Rawmin exports its bauxite in large capacity vessels carrying greater than 65,000 tonnes

Bundaberg is a port located well south of the Great Barrier Reef. Its shipping channels are over shifting sands, leading directly to deepwater international shipping lanes.

Bundaberg is famous for many products. ABx hopes to add bauxite to its list of speciality products.

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About Australian Bauxite Limited

ASX Code ABX Web: www.australianbauxite.com.au

Australian Bauxite Limited (ABx) has its first bauxite mine in Tasmania and holds the core of the Eastern Australian Bauxite Province. ABx's 22 bauxite tenements in Queensland, New South Wales & Tasmania exceed 1,975 km² and were 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 that can be processed into alumina at low temperature.

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.

At Bald Hill near Campbell Town, Tasmania, the Company's first bauxite mine commenced operations in 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 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 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.

Directors & Officers

Paul Lennon	Chairman
Ken Boundy	Director
Ian Levy	CEO & MD
Henry Kinstlinger	Company Secretary
Leon Hawker	Chief Operating Officer
Jacob Rebek	Chief Geologist
Paul Glover	Logistics & Exploration Manager

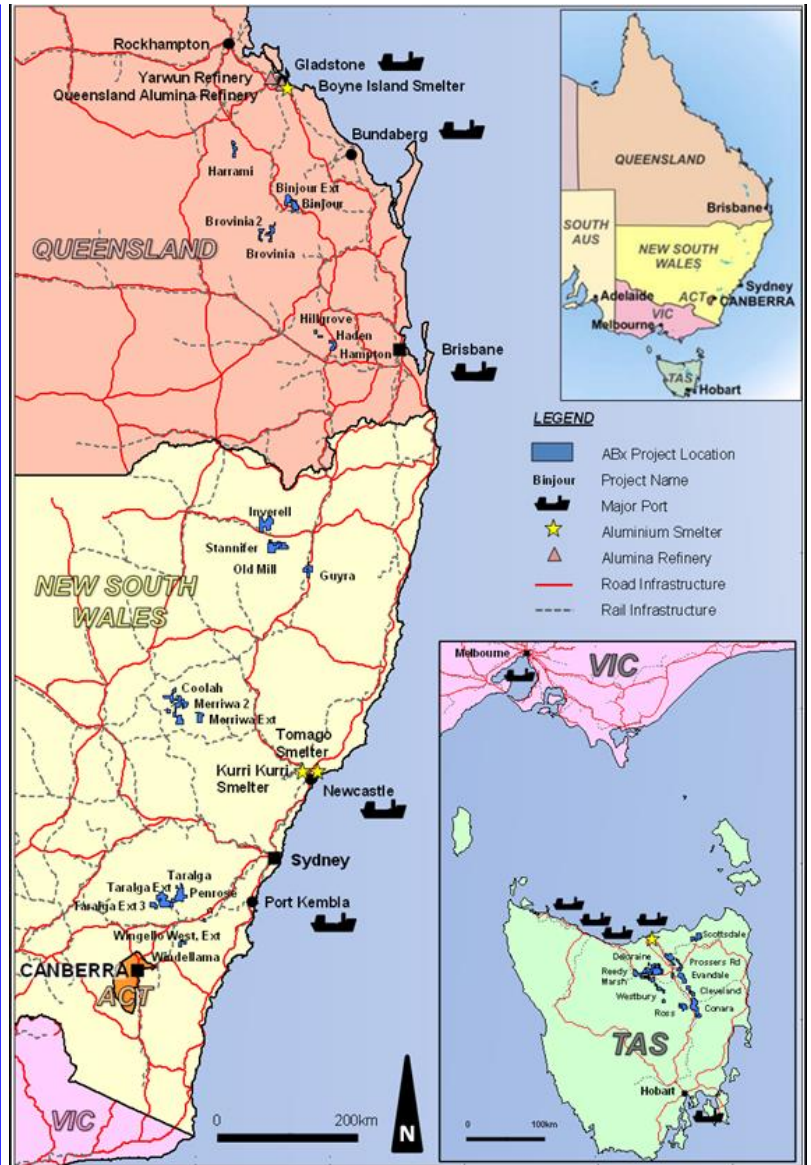


Figure 4

ABx Project Tenements and Major Infrastructure in Tasmania, NSW & QLD, Eastern Australia

For further information please contact:

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Resource Statement, Definitions and Qualifying Statement

Tabulated below are the Mineral Resources for each ABx Project. The initial ASX disclosure for these Resources is given in the footnotes to the table. Refer to these announcements for full details of resource estimation methodology and attributions.

Table 1: ABx JORC Compliant Resource Estimates

Region	Resource Category	Million Tonnes	Thickness (m)	Al ₂ O ₃	SiO ₂	A/S	Fe ₂ O ₃	TiO ₂	LOI	Al ₂ O ₃ Avl @ 143°C	Rx SiO ₂	Avl/Rx	% Lab Yield	O'Burden (m)	Int.Waste (m)
				%	%	ratio	%	%	%	%	%	%	ratio	%	
CAMPBELL TOWN AREA TASMANIA ⁷	Inferred	1.3	3.0	42.6	3.5	12	25.4	3.5	24.6	36.7	3.0	12	50	2.1	0.1
	Indicated	1.4	3.2	42.5	3.2	14	26.4	3.0	24.5	36.2	2.8	14	55	1.8	0.1
	Total	2.7	3.1	42.5	3.3	13	25.9	3.3	24.5	36.5	2.9	13	52	2.0	0.1
Fingal Rail Cement-Grade Bauxite ⁸	Inferred	2.4	3.3	30.9	19.5	--	35.4	3.9	16.7	--	--	--	--	1.9	0.1
	Indicated	3.9	3.8	31.1	19.0	--	35.2	4.0	16.9	--	--	--	--	1.7	0.1
	Total	6.3	3.6	31.0	19.2	--	35.3	4.0	16.8	--	--	--	--	1.8	0.1
DL-130 AREA TAS ¹	Inferred	5.7	3.8	44.1	4.3	10	22.8	3.1	25.0	37.6	3.2	12	55	1.5	0.1
	Total Tas	14.7	3.6	38.2	10.5	n.a.	28.7	3.5	21.4	n.a.	n.a.	n.a.	54	1.7	0.1
BINJOUR QLD ²	Inferred	9.0	3.9	43.7	4.5	10	22.4	3.6	24.2	38.0	3.8	10	59	8.2	0.3
	DSO Indicated	15.5	5.3	44.2	3.1	15	23.4	3.7	24.9	39.5	2.6	15	62	9.4	0.3
	Total	24.5	4.8	44.1	3.6	12	23.1	3.7	24.6	39.0	3.0	13	61	8.9	0.3
TOONDOON QLD ³	Inferred	3.5	4.9	40.2	7.2	6	25.3	4.9	21.7	32.8	5.2	6	67	1.5	0.0
TARALGA S. NSW ⁴	Inferred	9.9	3.1	40.4	5.7	7	24.6	4.1	22.2	35.2	1.9	18	54	0.1	0.2
	Indicated	10.2	3.7	41.3	5.3	8	25.9	4.0	22.9	36.1	1.9	19	55	0.7	0.4
	Total	20.1	5.6	40.8	5.5	7	25.3	4.0	22.6	35.7	1.9	19	55	0.5	0.3
	PDM-DSO [*] Inferred	7.6	2.5	37.0	6.0	6	38.4	3.5	13.3	22.1 [*]	1.3	17	72	0.2	0.1
	Indicated	10.3	3.1	37.6	3.9	10	40.4	3.7	13.5	22.4 [*]	1.1	20	71	0.7	0.4
Total Taralga	37.9	5.7	39.2	5.2	8	32.0	3.8	18.3	35.4	1.6	23	63	0.5	0.3	
INVERELL N. NSW ⁵	Inferred	17.5	4.7	39.8	4.8	8	27.7	4.3	22.2	31.0	4.2	7	61	2.3	
	Indicated	20.5	4.8	40.6	4.7	9	26.9	4.1	22.5	32.0	4.0	8	60	2.4	
	Total	38.0	4.8	40.2	4.7	9	27.3	4.2	22.4	31.6	4.1	8	61	2.4	
GUYRA N. NSW ⁶	Inferred	2.3	4.2	41.4	3.6	12	26.2	3.3	24.6	35.0	2.8	13	56	3.4	
	Indicated	3.8	5.9	43.1	2.6	16	27.3	3.9	24.5	37.4	2.0	18	61	4.4	
	Total	6.0	5.3	42.5	3.0	14	26.9	3.7	24.5	36.5	2.3	16	59	4.0	
GRAND TOTAL ALL AREAS 124.6										* PDM is Al ₂ O ₃ spinel. Al ₂ O ₃ Avl at 225°C is >35%					

Explanations: All resources 100% owned & unencumbered. Resource tonnage estimates are quoted as in-situ, pre-mined tonnages. All assaying done at NATA-registered ALS Laboratories, Brisbane. **Chemical definitions:** Leach conditions to measure available alumina "Al₂O₃ Avl" & reactive silica "Rx SiO₂" is 1g leached in 10ml of 90gpl NaOH at 143°C for 30 minutes. LOI = loss on ignition at 1000°C. "Avl/Rx" ratio is (Al₂O₃ Avl)/(Rx SiO₂) and "A/S" ratio is Al₂O₃/SiO₂. Values above 6 are good, above 10 are excellent. **Lab Yield** is for drill dust samples screened by ALS lab at 0.26mm screen size. Production yields are not directly related to Lab Yield and are typically between 50% and 70%. Tonnages requiring no upgrade will have 100% yield.

Resource estimates exclude large tonnages of potential extensions that would be drilled during production to extend tonnages.

The information above relates to Mineral Resources previously reported according to the JORC Code (see Competent Person Statement) 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
- ⁷ Initial resources for 1st Tasmanian mine, 3.5 million tonnes announced on 24/03/2015
- ⁸ Resource Upgrade for Fingal Rail Project, Tasmania announced on 25/08/2016

Tabulated Resource numbers have been rounded for reporting purposes. The Company conducts regular reviews of these Resources and Reserve estimates and updates as a result of material changes to input parameters such as geology, drilling data and financial metrics. **Global Mineral Resources declared to 08/08/2017 total 124.6 million tonnes.**



Qualifying Statements Mineral Resource Estimates

The information regarding Mineral Resources are extracted from the above reports and are available to view on australianbauxite.com.au/investors.htm. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources or Reserves Ore, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

General

The information in this report that relate to Exploration Information and Mineral Resources are based on information compiled by Jacob Rebek and Ian Levy who are members of The Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Rebek and Mr Levy are qualified geologists and Mr Levy is a director of Australian Bauxite Limited.

Mainland Resources

The information relating to Mineral Resources on the Mainland 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.

Mr Rebek and Mr Levy have sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which they are undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of exploration Results, Mineral Resources and Ore Reserves. Mr Rebek and Mr Levy have consented in writing to the inclusion in this report of the Exploration Information in the form and context in which it appears.

Disclaimer Regarding Forward Looking Statements

This ASX announcement (Announcement) contains various forward-looking statements. All statements other than statements of historical fact are forward-looking statements. Forward-looking statements are inherently subject to uncertainties in that they may be affected by a variety of known and unknown risks, variables and factors which could cause actual values or results, performance or achievements to differ materially from the expectations described in such forward-looking statements.

ABx does not give any assurance that the anticipated results, performance or achievements expressed or implied in those forward-looking statements will be achieved.

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