ASX : ABZ

ASX ANNOUNCEMENT
6 December 2011

RELEASE OF ESCROWED SECURITIES

In accordance with ASX Listing Rule 3.10A the Company advises that:

55,617,337 fully paid ordinary shares;

6,000,000 ESOP Options, exercisable at $0.30 before 15 October 2012; and

3,000,000 Success Options exercisable at $0.30 before 24 December 2012

will be released from escrow on 24 December 2011.

For further information please contact

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About Australian Bauxite Limited:
ASX Code ABZ

Australian Bauxite Limited (**ABx**) holds the core of the newly discovered Eastern Australian Bauxite Province. Its 35 bauxite tenements in Queensland, NSW and Tasmania covering close to 8,000 km^2 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.

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. Laboratory results from recent drilling of the ABx discoveries of bauxite in Tasmania are yet to be evaluated, however, bauxite is confirmed to extend over relatively large areas.

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