



AUSTRALIAN BAUXITE LIMITED
ASX: ABX

ASX ANNOUNCEMENT

10 November 2015

Bauxite Offtake Agreement Signed

Australian Bauxite Limited (**ABx**) advises that it has finalised and executed an offtake agreement with Rawmin Mining and Industries Pvt Ltd of Mumbai, India (**Rawmin**) (**Offtake Agreement**).

The comprehensive Offtake Agreement covers all bauxite produced by ABx out of Tasmania and runs five years.

The Offtake Agreement provides for Rawmin to purchase 4.7 million wet metric tonnes (**WMT**) of Bauxite commencing with 200,000 WMT to 31 March 2016 and ramping up to 1.5 million WMT per annum from 1 April 2018.

Sale is on a Free on Board Stowed and Trimmed (**FOBST**) basis, with Rawmin responsible for shipping, based on best-price tenders secured by either party.

The Offtake Agreement provides for payments linked to the CBIX Price, which is an index of the market price prevailing at the time of sale.

Bauxite in excess of the contracted quantities must be first offered to Rawmin.

The Offtake Agreement further provides for blended shipments of ABx and Rawmin bauxites on a profit share basis for any blending profits achieved.

The Offtake Agreement includes terms and conditions and mutual warranties and indemnities customary to this type of agreement.

Rawmin's associate companies own bauxite mines located in Jamnagar and Porbandar Districts of Gujarat State in India. In addition, a greenfield bauxite mining project is being set up in the Maharashtra state.

Rawmin will provide assistance with sufficient working capital finance, production and best practice quality control. Bauxite will be sold at market prices into China, India, the Middle East and Australia.

Mahesh Thanki, Managing Director of Rawmin said, "Rawmin is pleased to have concluded this offtake agreement with Australian Bauxite and we are sure that the years ahead will be productive and profitable to all concerned."

ABx CEO, Ian Levy said, "The synergies between Australian Bauxite and Rawmin arise from the compatibility of our type of bauxite and will be of considerable benefit to our shareholders. The Offtake Agreement provides us with certainty and enables us to confidently expand our operations.

"Our first shipment is now at port side and ready for loading."



Mahesh J. Thanki, Rawmin Managing Director and Ian Levy, ABx CEO

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About Rawmin

Rawmin Mining And Industries Pvt. Ltd., (**Rawmin**), Mumbai, India, is a family owned, professionally managed private company in the business of Mining, Beneficiation and Export of Metallurgical Grade and Cement Bauxite and Iron Ore. The company is managed by third generation entrepreneurs having a deep and thorough knowledge of the mining industry by virtue of their being engaged in the business of mining since the past more than 60 years. Qualified Geologists and Mining Engineers with a long standing and rich experience in the field of Mining and Beneficiation of Bauxite actively support the company's management and are consistently working to meet the international standard for Quality, Management and Environment Management System in Mining, Processing, Logistics and Export. Rawmin being a privately owned company, enjoys the advantage of making quick business decisions and significantly expedite any business opportunity. The parent company of Rawmin is established in the year 1951 and continues to remain one of the oldest, renowned and leading mine owner company in India. The promoters of Rawmin are third generation Indian entrepreneurs with a 60 year experience in the mining industry in India, and bring with them a combined experience of strong structured finance capability, risk management, logistical and trade expertise.

Rawmin is a Government of India recognized Star Export House. The company exports Bauxite Ore from the Porbandar and Okha all-weather ports situated on the west coast of Gujarat State in India. Since its formation in the year 1981, Rawmin's consignments to its customers have always been carried out with utmost precision and dedication as per the terms of the respective contracts and met the approval of the buyers. Rawmin's thorough knowledge of the mineralogical aspects and mineralogy coupled with a strong control on shipping and logistics, makes Rawmin one of the most reputed and distinguished suppliers of Bauxite from India. Rawmin has consistently received Certificates of Merit and Awards from the Ministry of Commerce, Govt. of India, for its outstanding export performance in the field of Bauxite exports. Further information about Rawmin is available at www.rawmin.com.