



ASX ANNOUNCEMENT

17 December 2018

AUSTRALIAN **BAUXITE** LIMITED

ASX: ABX

Next 30,000 tonne bauxite sale confirmed. Shipment in March 2019

Australian Bauxite Limited (ASX: ABX) (ABx) is pleased to advise that it has been the successful tenderer for its next sale of seaborne cement-grade bauxite as follows:

- Tonnage 30,000 tonnes +/- 10% (i.e. 33,000 tonnes maximum)
- Product Cement-grade bauxite, blended to the customer's specification
- Source of Bauxite Bald Hill Bauxite Project, Campbell Town, Northern Tasmania
- Dispatch Port Bell Bay Port of Launceston, Tasmania (see Figure 1)
- Loading date Around 1 March 2019
- Basis of tonnes As measured by independent ship's survey

ABx has been working with the customer over the past 3 months to achieve the optimum product specifications, which is part of the service that ABx provides for customers with specific requirements.

Mine, Transport & Handling Contracts

ABx has started contract negotiations for the mining, processing and blending at the minesite. It also has to arrange contracts for transport to the port and handling of the bauxite at the port.

ABx has long-standing relationships with experienced contractors that are well known for meeting the strict tonnage-specification targets and complying with community and landholder requirements.

Port Contracts

ABx has contracted with QUBE Logistics at Bell Bay for the stevedoring services and stockpiling arrangements, in conjunction with TasPorts. Monson Shipping have provided Shipping Agents services and Briar Maritime have provided independent ship surveys to date.

ABx's Chief Operating Officer, Leon Hawker commented; "We have a lot of work ahead to achieve on-time, on-specification delivery of bauxite produced and blended to our customer's requirements. We can ship efficiently from Bell Bay Port – an all-weather, 24/7 export port that can operate to high standards and good loading rates all year round. This is a core strength of our bauxite business."

ABx's Marketing Manager, Paul Glover commented; "Our bauxite is blended specifically to suit our cement-grade bauxite customer, which is what we do for each sale. It is very clean bauxite due to efficient processing at the mine and careful transport pit-to-port."

"This negotiation was longer than usual because we are trying to introduce new products to customers. We provided samples from a suite of possible products, all prepared at our laboratory, supervised by Operations Manager, Nathan Towns who is expert in sampling of bauxite to ISO Standards."

Fertiliser Sales Increasing

ABx is also pleased to advise that sales of fertiliser-grade bauxite are growing as the customer achieves good results by using ABx fertiliser-grade bauxite in its manufacturing of superphosphate fertiliser products. Bauxite granules reduce dust losses and improve the spreading performance of the fertiliser. Sales of fertiliser-grade bauxite are scheduled to recommence during the last week of January 2019.

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Locations

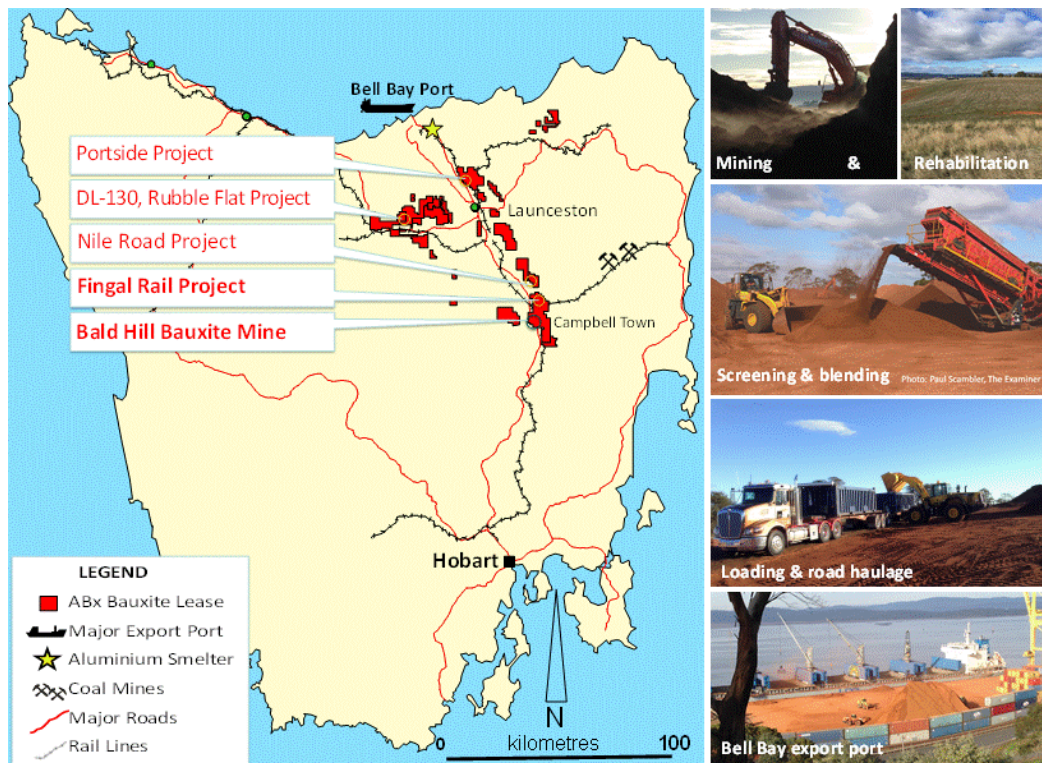


Figure 1: Locations of ABx bauxite mines, projects and transport infrastructure in Tasmania



Figure 2: Paul Glover, Marketing Manager (left) and Leon Hawker, COO are happiest when loading bauxite. Hats off to Operations Manager, Nathan Towns for taking this photo during a previous shipment.



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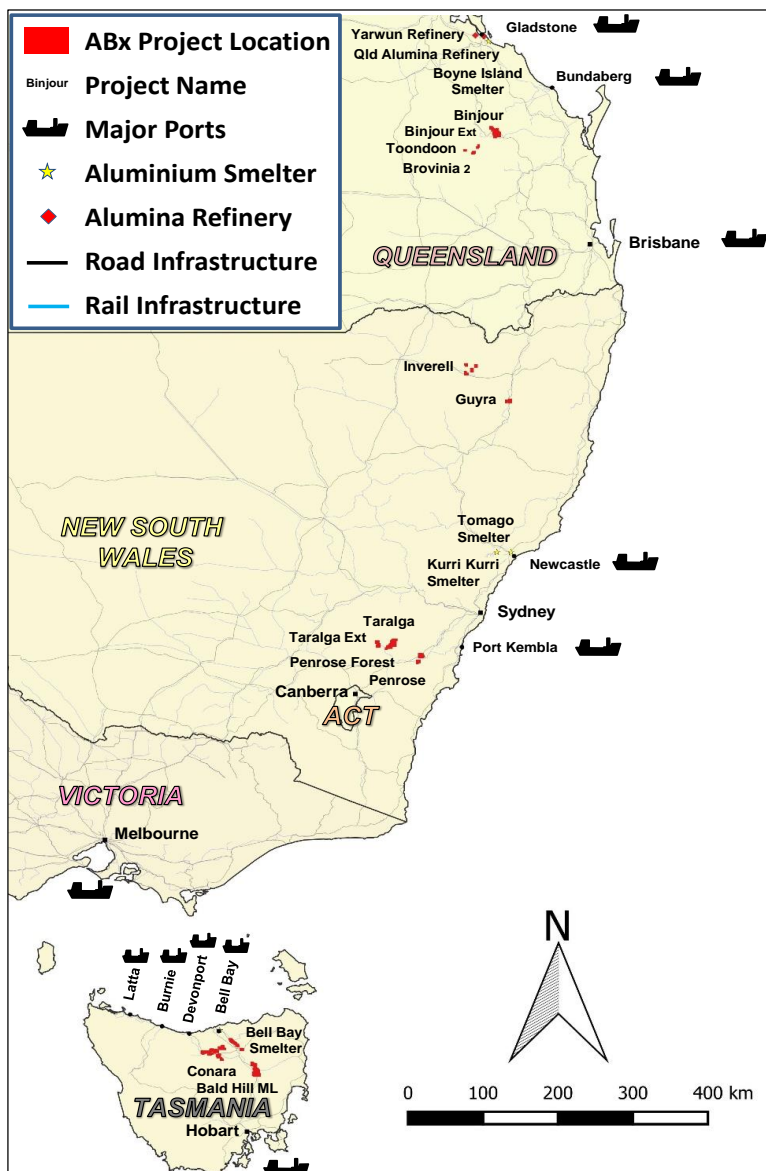


Figure 3

ABx Projects & Infrastructure from south to north:

1. Northern Tasmania
2. Southern NSW, Taralga & Penrose pine forest west of Port Kembla
3. Northern NSW, Inverell & Guyra
4. Central QLD, Binjour Bauxite, SW of Port of Bundaberg which is a port that has no impact on the Great Barrier Reef.



Figure 4: Tree windbreak at Bald Hill bauxite mine, Tasmania, planted in Spring on rehabilitated land



Figure 5: Sheep grazing on rehabilitated land after mining at the Bald Hill bauxite mine, Tasmania

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



ASX: ABX

ALCORE Technology Progress

ABx's subsidiary, ALCORE Limited is still ahead of schedule and working at full pace to get the Core Laboratory at the Research Centre in Berkeley Vale certified for production of Aluminium Fluoride samples for its four designated customers, early in the New Year.

BEST WISHES FOR THE FESTIVE SEASON

Directors and staff of Australian Bauxite Limited wish all of its shareholders, partnering contractors, suppliers and landholders a safe, enjoyable year-end festive season and a prosperous New Year.

For further information please contact:

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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 & holds the core of the Eastern Australian Bauxite Province. ABx's 14 bauxite tenements in Queensland, New South Wales & Tasmania totalled 914 km² & 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 committed a large proportion of its expenditure into Research and Development to find ways to capitalise on the main strengths of its bauxite type, mainly highly clean, free of all deleterious elements and partitioned into layers, nodules, particles and grains of different qualities that can be separated into different product streams using physical, chemical and geophysical methods.

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.

ABx's first mine commenced at Bald Hill near Campbell Town, Tasmania 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.

About ALCORE Limited:



Australian Bauxite Limited (ABx) has incorporated ALCORE Limited as a wholly-owned subsidiary to fund and manage the ALCORE Project, to lead to the construction of an ALCORE Production Plant to produce Aluminium Fluoride (AlF₃) and valuable co-products, using patent (pending) new technology. The ALCORE Technology is designed to convert low grade bauxite worth \$50 per tonne into a suite of valuable products worth more than \$800 per tonne. Site construction works for Stage 1 of the ALCORE project commenced on 1 July as planned at ALCORE's pre-approved Research Centre in Berkeley Vale, Central Coast NSW.

Stage 1 is designed to produce AlF₃ test samples for pre-qualified aluminium smelter customers & then produce Corethane, which is pure hydrocarbon powder refined from low-value coals and has been used to provide thermal and electrical power with low CO₂ emissions when used as a gas-substitute to fuel large gas turbine. Corethane has also been used as a diesel substitute for fuel security purposes and is ideally suited for use as a sulphur-free bunker fuel.

Directors of ABx

Paul Lennon	Chairman
Ian Levy	CEO & MD
Ken Boundy	Director
Henry Kinstlinger	Company Secretary

Officers

Leon Hawker	Chief Operating Officer
Jacob Rebek	Chief Geologist
Paul Glover	Marketing, Exploration & Relationships
Nathan Towns	Operations Manager