



ASX ANNOUNCEMENT

25 September 2017

AUSTRALIAN **BAUXITE** LIMITED

ASX: ABX

ABx receives first payment for 30,000 tonne bauxite shipment ahead of schedule

Bauxite producer, Australian Bauxite Limited (ABx) has received the first part payment for its 30,000 tonne bauxite cargo totalling \$1.73 million. The customer will pay the remainder on proof of weight via ship's survey in the coming weeks.

This payment excludes the payment expected for an additional sale for 5,000 tonnes of a different cement-grade bauxite specification that will be carried in a separate hold in the same ship. This additional sale is a separate contract, but sold in short-time so as to utilise additional tonnage capacity in the ship, thus reducing shipping costs per tonne.

This multi-product, single-ship transport arrangement allows ABx to deliver bauxite of several specifications to separate customers and service each customer's specific grade requirements.

Mine Site Operations

Stornoway Projects Pty Ltd has carried out the specialist operations at the Bald Hill Bauxite Project mine site, including an important product assembly procedure that allows the blending of product to customer's specification. Bald Hill was the first new bauxite mine in Australia for more than 30 years.

Land Transport Arrangements

Dave Wagner & Son Pty Ltd has delivered the bauxite from the mine stockpile to port of Bell Bay ahead of schedule. Wagners transported the previous bauxite shipments and works well with all stakeholders.

Port Arrangements

QUBE Logistics at Bell Bay provides the stevedoring services and the stockpiling arrangements, in conjunction with TasPorts.

ABx considers this consistent handling to be the best way to assure tight quality controls that ABx wishes to be known for in the market. Inspections by two customers' agents confirmed this.

Our customers appreciate that:

ABx bauxite is the best favour they can do for themselves and their cement plant.

This sale is a continuation of ABx's ongoing business, which is due to be expanded by additional purchasing from several offshore centres, subject to appropriate currency exchange rates.

Fertiliser Sales Recommended

ABx's sales into the fertiliser industry have recommenced over the past month and will continue at a low tonnage but continuous rate for the rest of the year.

For further information please contact:

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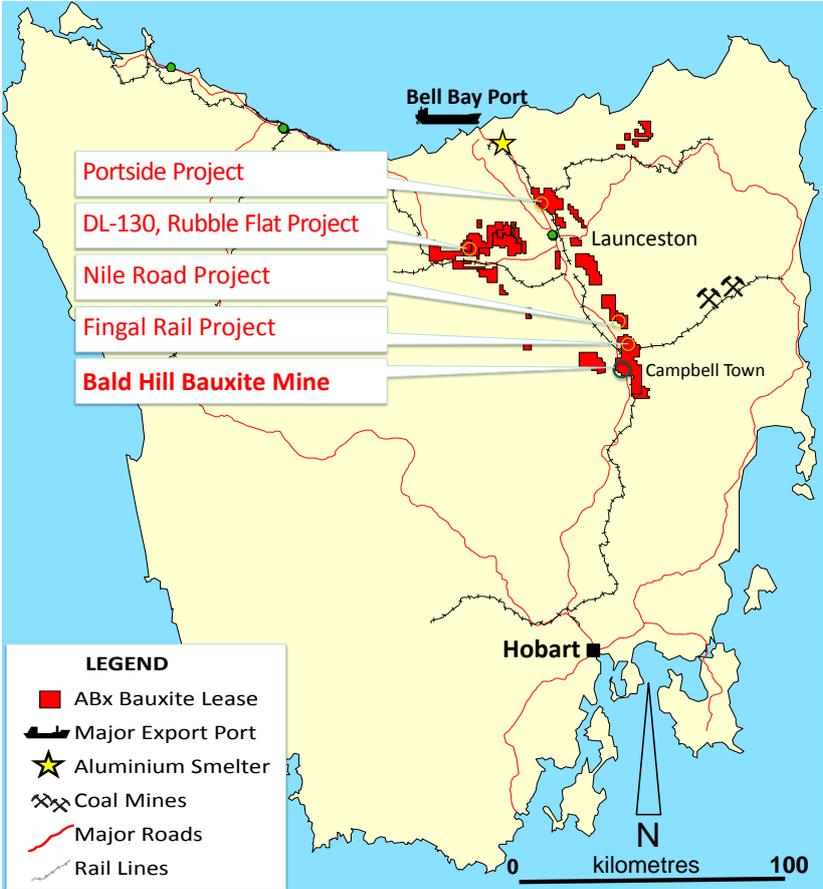


Figure 1: Locations of ABx bauxite mines, projects and transport infrastructure in Tasmania



Figure 2: The 30,000 tonne cargo assembled at Bell Bay export ports. Note that the containers are used as dust barriers to prevent cross contamination with other cargoes. The bauxite is shipped in bulk carrier ships similar to the ship shown here.

Photo by QUBE Logistics, Bell Bay



Truckloading at Bald Hill Mine



Trucking from mine to Bell Bay Port



Delivery to Bell Bay Port Stockpile



Stockpile at Bell Bay Port



Bald Hill Mine Tasmania



Bauxite types ready for blending

Photo: Paul Scambler, The Examiner



Blending to customer's specifications



Bauxite product ready for trucking

Figure 3: ABx supply chain operations from pit to mine stockpiles, blending, transport and stockpiling at Bell Bay Port.



Figure 4 (left)

ABx blends bauxite at the mine site and at all stages of delivery to maximise mixing, thus providing a consistent product.

Figure 5 (below)

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

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 22 bauxite tenements in Queensland, New South Wales & Tasmania exceed 1,975 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 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.

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.

Directors & Officers

| | |
|-------------------|---------------------------------|
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| Ken Boundy | Director |
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