



AUSTRALIAN BAUXITE LIMITED

ASX: ABX

ASX ANNOUNCEMENT

14 May 2020

35,000 tonne cement-grade bauxite sale confirmed – Early production plan

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

- Tonnage 35,000 tonnes +/- 10% (i.e. 38,500 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 Before 20th August 2020 (see below)

ABx has worked with the customer to achieve the optimum product specifications. Delays due to the current COVID-19 restrictions have been overcome and demand is likely to grow.

Early Production Strategy

ABx is negotiating with contractors for mining, transport and port services to bring forward production so as to capitalise on current low fuel costs and to increase employment in northern Tasmania in the June and September Quarters. If the final port stockpile can be assembled, the customer would also have an opportunity to take it when a low-cost shipping opportunity arises – all part of ABx's technical partnership approach with all customers.

Mine, Transport & Handling Contracts

ABx has advanced contract negotiations for mining, processing, blending and delivery with long-standing experienced contractors.

Port Contracts

ABx has contracted with QUBE Ports at Bell Bay for stevedoring. Monson Shipping will provide Shipping Agents services and Briar Maritime independent ship surveys. TasPort negotiations are underway and it is hoped that the benefits from early production can lead to a mutually beneficial outcome.

ABx's Chief Operating Officer, Leon Hawker commented; "We have secured working capital finance for this early production strategy and we have a production team that is renowned for on-time, on-specification delivery of bauxite 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 to suit our cement-grade bauxite customer's requirements for very clean bauxite by efficient production and careful transport pit-to-port." We are pleased to see demand returning for high-strength cement that our bauxite achieves now that infrastructure projects are underway. We are in a growing market situation."

This sale will be, 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 rural sector demand for granulated superphosphate fertiliser increases. A just-in-time sale before Easter will be repeated in June. ABx applauds the recovery of the rural sector after drought and bushfires.

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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
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

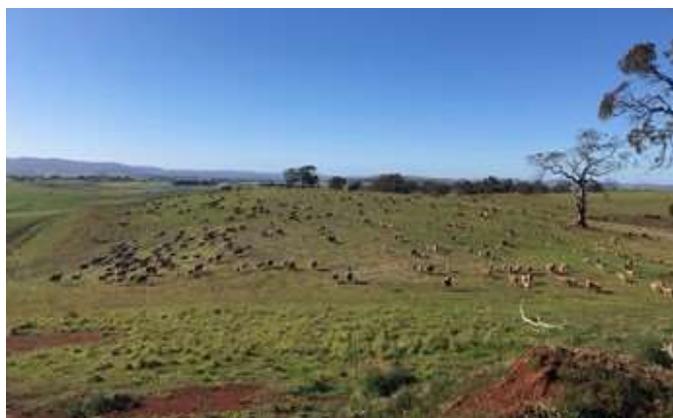


Figure 5: Sheep grazing on rehabilitated land after mining at the Bald Hill bauxite mine, Tasmania

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



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ALCORE Technology Progress

ABx's 90% owned subsidiary, ALCORE Limited is working at full pace at the Alcore Research Centre in Berkeley Vale and is awaiting technical reports on the quality improvements in samples of Aluminium Fluoride produced from a smelter by-product from potential customers. More news on this project will be released in coming weeks.

This announcement has been approved for release by the Board of ABx.

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