

Chairman's Address ABX General Meeting Investor Conference

Welcome to today's General Meeting of shareholders of Australian Bauxite Limited (**ABx**).

Change of Company name to ABx Group Limited

ABx's success with its two high-technology units has created two significant opportunities with considerable upside potential in the near future:

1. ALCORE Limited. ABx's 87%-owned development of an Australian technology for production of high-priced aluminium fluoride (AlF₃) for aluminium smelters; and
2. ABx's discovery of Rare Earth Elements (REE) within ABx's Tasmanian bauxite tenements.

Because these two activities are now core activities for ABx, your directors recommend that the company's name be changed to ABx Group Limited, still with the ASX ticker-code of ABX.

Alcore's aluminium fluoride

ABx's 87%-owned subsidiary ALCORE Limited is assembling the early stages of its pilot plant at the Alcore Research Centre in Central Coast NSW which will gather engineering data for the design and costing of a commercial production plant.

AlF₃ is used in aluminium smelters, without which, smelters cannot operate. There is no substitute.

Australia is the largest producer of primary aluminium metal without its own domestic AlF₃ production and has relied on imports, mainly from China. Alcore aims to be the Australian producer of AlF₃ which would provide much-needed security of supply for Australasian aluminium smelters.

Alcore plans to build its plant in Bell Bay Tasmania and once in production, Alcore can expand into advanced technologies including lithium-ion batteries, HF acid and fluorine gas.

A major benefit of the Alcore process is its use of smelter waste products as its source of fluorine, thus increasing recycling credits in modern aluminium smelters.

The Alcore process is new Australian technology, proprietary to Alcore which is an 87%-owned subsidiary of ABx Group. Alcore's CEO is Dr Mark Cooksey (ex CSIRO, ex Rio Tinto aluminium)

Alcore's latest progress was reported in the ASX release of 9 December 2021.

Rare earth elements (REE) discovery

ABx has several REE prospects across northern Tasmania arising from its discovery of the Deep Leads REE prospect and has recently doubled its REE drilling budget from \$300,000 to \$600,000. ABx's type of REE are attractive because they are:

1. Rich in those rare earth metals that create the super magnets that are essential strategic metals for electric vehicles, wind turbines, modern smart phones and military devices;
2. “Water soluble” ionic clay type of REE which can be developed quickly at low cost;
3. Shallow depth, typically 6 to 16 metres from surface; and
4. Free of radioactive elements thorium and uranium so it can be processed in any country.

ABx shares are one of only three exchange-listed opportunities globally for this ionic clay type of REE which have hitherto been a major contributor to China’s 86% control of the REE markets. Market capitalisations of ABx’s peer group companies in the REE exploration sector exceed \$100 million.

New bauxite mine developments

ABx is moving to the nearby Fingal Rail project which can deliver fertiliser grade and cement grade bauxite for more than 15 years. ABx recently delivered a bulk sample of Fingal Rail fertiliser grade bauxite to its customer. Cement grade production will commence once permitting is finalised.

ABx’s mining lease application for the Sunrise Bauxite Project is located at Binjour, 115km west of Bundaberg Port in QLD.

Covid travel restrictions delayed finalising transnational legal arrangements for the 50:50 joint venture with Rawmin Mining of India which is funding the project and provides ABx with technologies to meet customer specifications and for large-scale shipping of bauxite, based on Rawmin’s 30 years shipping of its own bauxite from Indian river ports similar to Bundaberg Port.

Capital raising

A \$3.15 million placement was completed on 24 May to professional investors at 10 cents per share plus 5.534 million 2-year unlisted options exercisable at 20 cents was undertaken. CPS Capital of Perth was lead broker. In accordance with ABx’s policy, a share purchase plan (SPP) was undertaken in October on the same terms that had been offered to professional investors in May.

Due to unexpected support, the SPP raised a total of \$4.08 million from 443 shareholders.

Issuing of options for shareholder approval

Shareholders who participated in the SPP can also receive one free attaching unlisted option for each share that they received from the SPP. The options are exercisable at \$0.20 per option by 31 May 2023 for nil consideration and shareholder approval of these options is on today’s agenda.

ABx share price

We delivered on our promise to overcome obstacles and add value for shareholders. However, the effort and initiatives of our management team and the support of faithful shareholders has not yet translated into an appreciation in the ABx share price.

Corona Virus Pandemic Response

ABx and its subsidiary companies will continue to take the additional level of precautions against Covid-19 that has been a triumph for the mining industry. All staff have been double-vaccinated, and our facilities still use QR-codes, masks and hand-sanitisers.

I sincerely thank our employees, shareholders, customers, and contractors for their continuing support, especially during the past two years of travel restrictions due to the Covid-19 pandemic.

Paul Lennon AO
Chairman

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ASX Release authorised by the Company Secretary