



QUARTERLY REPORT AND ACTIVITY STATEMENT FOR THREE MONTHS TO 30 SEPTEMBER 2019

Corporate

- Group available cash at the end of the quarter was \$1.45 million and currently is about \$1.37 million

Sales & Operations

- 32,477 tonnes of cement-grade bauxite was loaded and shipped from Bell Bay in early June. Sales of fertiliser-grade bauxite from Bald Hill are on-going to plan, despite drought conditions
- Rehabilitation reforming of the mined out areas completed to ABx's high standards. Seeding awaits rain
- Bulk-sampling at the Binjour bauxite project in QLD confirmed grades and upgrading tests were successful

ALCORE Project

- Australian Bauxite Limited (ABx)'s wholly-owned subsidiary, ALCORE Limited has been trialling the chemical refining of ABx bauxite and its components into Aluminium Fluoride (AlF₃) which is a high-priced ingredient in aluminium smelters.
- ALCORE's results have exceeded expectations and a production strategy is now firming-up
- ALCORE has proven it can:
 - a. Make Aluminium Fluoride (AlF₃) from aluminium oxides and hydrates (gibbsite), which is the principal component of bauxite and from several other aluminium-rich materials (see New Discoveries below)
 - b. Extract valuable silicon oxides by adjusting the reagent mix and processing conditions
 - c. Make Corethane gas substitute by reducing ash content in coal from 28% to less than 4%, thus making a cleaner substitute for more expensive metallurgical coal & coke for smelting. Corethane is also ideally suited for use as a sulphur-free bunker fuel for shipping under new strict emissions laws
- **New discovery:** during this research, ALCORE discovered that its process can do a lot more than expected, including making AlF₃ from aluminium-rich and fluorine-bearing waste materials from aluminium smelters world-wide so as to introduce 100% recycling into the aluminium smelting industry
- **Several potential AlF₃ customers** and supportive major companies in the aluminium industry have visited the ALCORE Research Centre and observed the production of AlF₃
- ALCORE's task list includes:
 - a. Prove that ALCORE can make AlF₃ with the appropriate crystal size & density to suit each customer
 - b. Make ultra-pure AlF₃ that can be used in special batteries, including lithium-ion batteries
 - c. Determine the optimum reaction conditions for the complete extraction of iron oxides
 - d. Recycling acids recovered from the production of the co-products
- AlF₃ is an essential electrolyte ingredient in aluminium smelters. Global demand for AlF₃ increases as aluminium smelter production increases and the use of AlF₃ in lithium ion batteries increases
- **Ore Reserves:** ABx has stockpiled and sampled ALCORE refinery-grade bauxite at Bald Hill mine in Tasmania and an initial ore-reserve estimation of some of these large refinery-grade stockpiles is in progress
- The potential availability of aluminium-rich and fluorine-bearing waste materials from aluminium smelters world-wide is reportedly very large and discussions about contracts for this material have commenced
- The ALCORE business plan targets long-established, broad industrial markets with many potential buyers
- Initial production modules will be the simplest possible, producing the core products for industrial markets and later production modules will become more sophisticated so as to produce a full suite of products
- ALCORE processes are relatively low-risk because they operate at ambient temperatures and pressures
- ALCORE will be the first Australian supplier of AlF₃ to the Australasian Aluminium Smelters and for export
- **Location of first plant at Bell Bay, Tasmania:** ALCORE is investigating industrial sites at Bell Bay in northern Tasmania for the first production plant
- Discussions continue with governments and supportive major companies in the aluminium industry

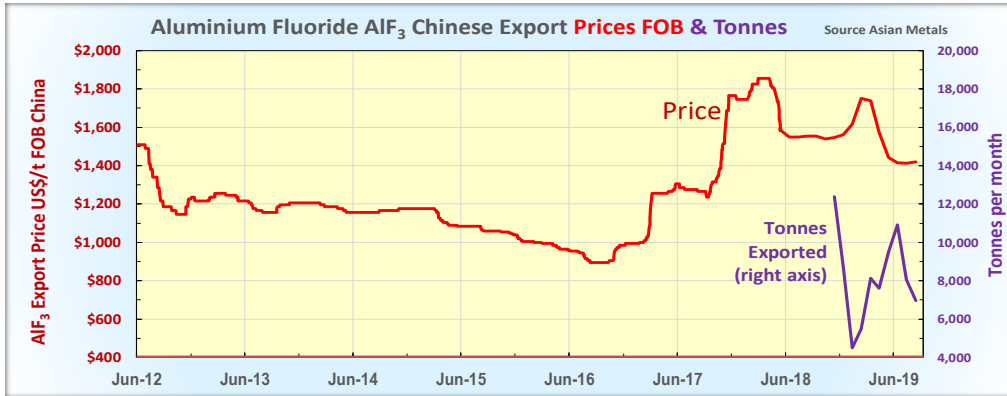


Figure 1
Prices & demand for aluminium fluoride AlF_3

AlF_3 markets remain positive for the ALCORE project



Figure 2
Summary of the ALCORE Business Strategy



Figure 3
ALCORE Laboratory built inside the ALCORE Research Centre

The Core Lab is a climate-controlled laboratory constructed inside the ALCORE Research Centre for the refining of bauxite and its components to produce test samples of AlF_3 and co-products. It will become a research centre for testing its technology on many ores.



Figure 4
Inside the completed ALCORE Laboratory



ALCORE Project

ALCORE’s business plan is to produce Aluminium Fluoride (AlF₃) for aluminium smelting and other co-products including Silica Fume for Eco-cement and the gas-substitute Corethane for energy security and as a cleaner substitute for more expensive metallurgical coal & coke for smelting.

Potential production: ABx is in negotiations with potential customers, with initial focus on tonnage demand and technical specifications. These investigations concluded that there is sufficient demand to ultimately justify a 50,000 tonnes per year AlF₃ production plant in Australia, with annual revenues exceeding A\$80 million.

Staged development: Most customers buy AlF₃ via both long-term and spot contracts. So, it was concluded that the first product plant could be built in 5 stages, each of 10,000 tonnes per year AlF₃ production.

Currently all AlF₃ used in Australian aluminium smelters is imported at high prices. ALCORE may reverse this.

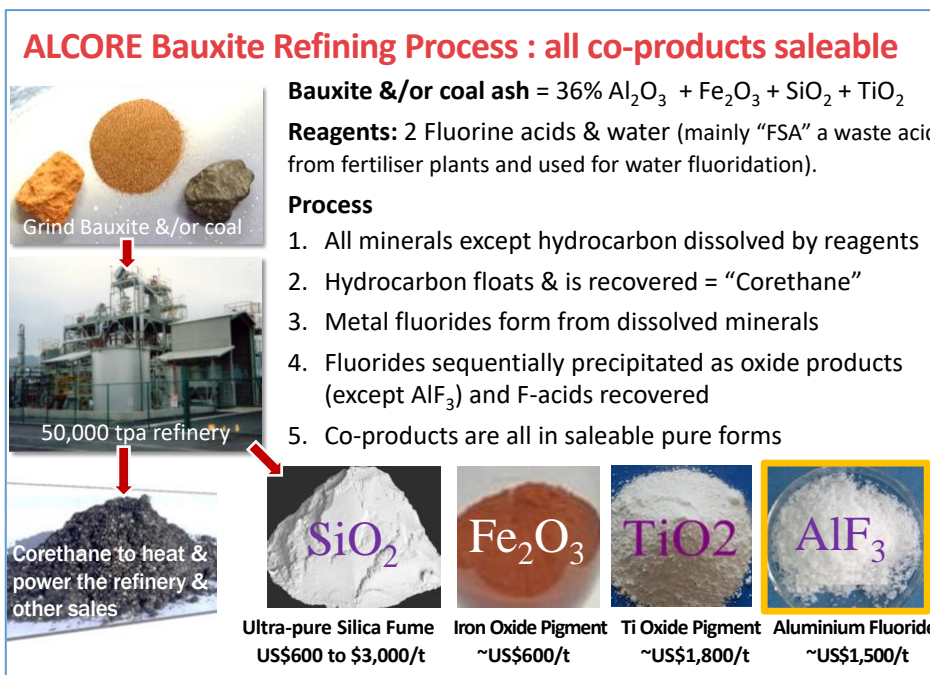


Figure 5

The ALCORE process:

1. Inputs,
2. AlF₃ product &
3. Co-products

Corethane is an ultra-pure hydrocarbon to power the production plant with zero particulate emissions & CO₂ emissions similar to natural gas.

ALCORE can also sell electricity to the grid or sell Corethane to industrial customers, including as a metallurgical reductant in smelters, several of which have already expressed interest.

Summary

ALCORE’s bauxite refining has the potential to convert a tonne of bauxite valued at US\$50 per tonne into a suite of products worth in excess of **US\$800** representing a **10-times** increase in net value.

Competitive Advantage of ABx’s clean bauxite is zero emissions & wastes: ABx’s clean bauxite allows ALCORE to operate with zero emissions and no waste products.

An ALCORE project can be located anywhere in the world, importing bauxite from bauxite producers for less than the \$US50 per tonne which is being conservatively assumed in ALCORE’s economic studies.

Therefore, the ALCORE Technology is not constrained by resource supply and can be located near its major customers, near sources of low-cost feedstock such as recyclable waste materials from aluminium smelting.

Risk management:

The ALCORE business plan is designed to minimise both the financial and technical risks as follows:

1. ALCORE technology operates at low temperatures & low pressures
2. ALCORE’s main products in the start-up years 1 to 5 are designed to be AlF₃, silica fume and high-grade bauxite. These products have deep, well-established markets with many customers.

This plan for ALCORE’s initial products avoids the market risks of targeting high-purity products which can take several years of process improvements to achieve and often have very few buyers.



Binjour Project, QLD – located 115kms inland from Bundaberg Port, Queensland

- **Tripartite Memorandum of Understanding (MoU)** between ABx, Rawmin Mining of India and Tianshan Aluminium of China is for the sale of 0.5 to 1.5 million tonnes of bauxite from Binjour to Tianshan’s new low temperature refinery in southern China which is due to commence production in late 2020
- ABx considers Binjour to be the best source of gibbsite-trihydrate (THA) bauxite in Queensland that is suitable for processing in low-temperature Bayer-technology alumina refineries and sweetener circuits
- Bauxite resources total 40.5 million tonnes comprising 37 million tonnes of thick bauxite at Binjour plateau and 3.5 million tonnes in the granted mining lease at Toondoon, located 46 kms south of Binjour ¹
- Binjour bauxite is 3 to 15 metres thick and comprises 10.4 million tonnes suitable for simple bulk mining and shipping as “DSO Bauxite 1” and 26.6 million tonnes to be upgraded by ABx’s proprietary TasTech technology to achieve the long-term sales grade of 44% to 45% Al₂O₃ & 5% SiO₂ which is ideal “metallurgical bauxite” for producing aluminium metal via the low-temperature Bayer alumina refineries

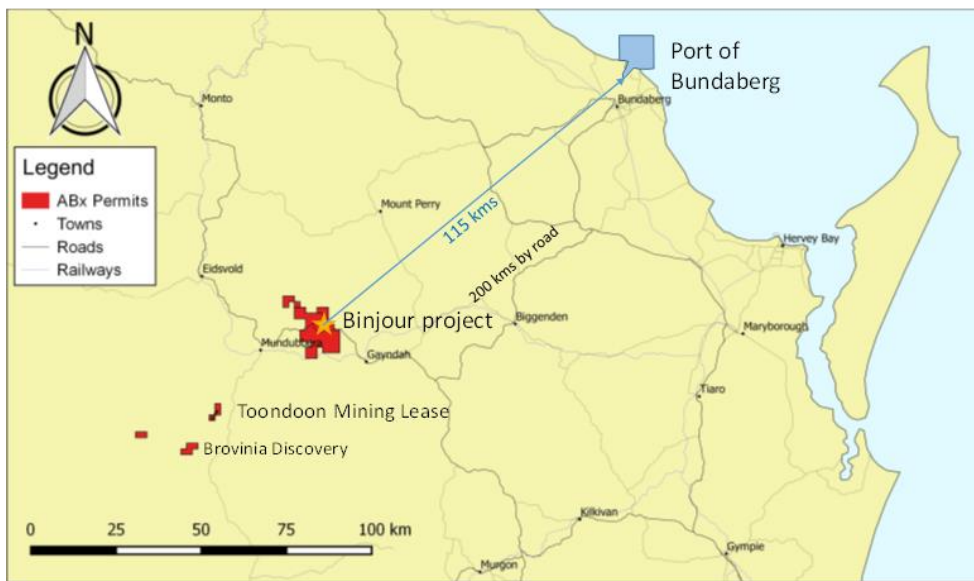


Figure 6
Locations of Binjour & Toondoon bauxite projects and transport infrastructure in Queensland

- **Bulk sampling & processing testwork** commenced late June to help ABx make a decision in late 2019 about committing to project development. This work confirmed that Binjour bauxite screens much better than expected (ASX: 30 May 2019). **It also discovered** that an extensive deep bauxite layer grading more than 48% Al₂O₃ and less than 3% SiO₂ which is the highest quality gibbsite-trihydrate bauxite in eastern Australia. **This new knowledge** was obscured by an overlying red mud layer that conceals the true nature of the bauxite.

Mining simulation. Bulk sampling tested production parameters including **dilution** from red mud overburden, **mining** behaviour. Results show that bulk-mined bauxite can meet the required DSO grades:



Figures 7 & 8 (above) : Bulk sampling Pits 10 & 11 at Binjour QLD

1. See Resource Statement



Bulk dry-screening of Binjour bauxite

A 28 tonne bulk sample was mined and mixed onto a stockpile from Pits 10 & 11, using methods that are expected to be used during production. This sample was trucked to Gympie and screened using a rotating trammel with a 10mm aperture screen.



Figure 9
Screening & environmental measurements at Gympie

This bulk-screening testwork in late September confirmed the laboratory tests in mid 2019 that Binjour bauxite is ideal for dry-screening to remove fine fractions that must be minimised for safe shipping.

Dust-carry was measured to help decide the location and size of any mining lease application(s).



Figure 10
Best ore comes as blocks which need crushing
Grades exceed +50% Al₂O₃ and less than 2% SiO₂

Assay Results From Pit Sampling and Dry-Screening

PIT 10	Al ₂ O ₃ %	SiO ₂ %	Fe ₂ O ₃ %	TiO ₂ %	LOI %	Al ₂ O ₃ avl %	Rx SiO ₂ %
0-1m	42.6	8.3	19.2	5.3	24.2	33.3	7.3
1-2m	45.3	4.7	18.3	5.2	26.1	40.0	4.2
2-3m	42.5	4.2	23.2	5.1	24.5	37.2	3.6
3-4m	45.1	3.9	19.7	5.2	25.6	41.2	3.4
4-5m	48.9	1.7	17.1	4.5	27.3	45.4	1.5
Pit 10 averages	44.9	4.5	19.5	5.1	25.5	39.4	4.0

Table 1
Assays of bulk samples of Pits 10 & 11

Bulk samples confirm that the required grades can be produced.

PIT 11	Al ₂ O ₃ %	SiO ₂ %	Fe ₂ O ₃ %	TiO ₂ %	LOI %	Al ₂ O ₃ avl %	Rx SiO ₂ %
3-4m	45.5	4.7	17.5	5.7	26.1	40.5	4.2
3.5-4.5m	45.4	3.4	18.9	5.8	26.0	40.4	2.9
4.5-5.5m	49.0	2.3	14.2	6.3	27.7	46.6	2.0
Pit 11 averages	46.6	3.4	16.9	5.9	26.6	42.5	3.0

Deeper layers are consistently high grade

Screened 28 tonnes bulk mined from Pits 10 & 11	Al ₂ O ₃ %	SiO ₂ %	Fe ₂ O ₃ %	TiO ₂ %	LOI %	Al ₂ O ₃ Avl* %	Rx SiO ₂ * %
Coarse fraction +10mm	45.8	2.3	20.0	5.5	25.9	42.6	2.0
Fine fraction -10mm	45.4	6.0	16.5	6.0	25.6	39.1	5.5
Average (45:55 ratio)	45.5	4.5	17.9	5.8	25.7	40.5	4.1

Table 2
Assays of bulk screening of a 28 tonne combined bulk sample from Pits 10 & 11

Very consistent with pit samples

* Leach conditions to measure available alumina "Al₂O₃ Avl" & reactive silica "Rx SiO₂" is 1g leached in 10ml of 90gpl NaOH at 143 degrees C for 30 mins.



Selection of an Initial Mining Lease Application Area at Binjour

- Based on the evidence from bulk sampling, ABx is assessing results from its 1,000 drillholes at Binjour to identify sites that:
 - a. Are on freehold land titles, with no strategic cropping or environmental issues
 - b. Are ideally located for transport, processing, environmental and community issues; and
 - c. Contain this high quality layer of bauxite which will be in great demand.
- **Coordinated production:** The Binjour Project will maximise production during the Queensland dry season from April to November and ABx's Tasmanian mines will maximise production in summer from December to May. Rawmin's mines in north western India will maximise production in the Indian dry season from November to May but cease shipments in monsoon months June to September. Coordinated production and shipments will achieve all-year delivery to the customer of bauxite at a consistent specification
- **Memorandum of Understanding Agreement** for access to the preferred stockpile site at the Port of Bundaberg was finalised in June 2019 and has been executed during the quarter

Penrose bauxite types in strong demand

ABx's Penrose bauxite deposit located in a pine plantation 90km inland from Port Kembla NSW (see Figures 11) contains a bottom layer grading 55% Al₂O₃ and very low iron content suitable for refractory bauxite applications. The strategy for Penrose is to sell each layer to separate customers but a primary customer-partner is needed.

ABx has concluded that whilst Penrose bauxite is ideal feedstock for the ALCORE bauxite refining technology, it is best for the manufacture of an Australia building product and separate sale of other layers.

Search of other low-iron grey-white bauxite deposits

Prior to making an offer to the "primary partner" for ABx's grey-white bauxite, ABx has searched its large database for other deposits of this type of bauxite and has found low-iron bauxite in Tasmania, Binjour in QLD and in the Taralga project area located north of Goulburn NSW. ABx has drafted a business proposal.

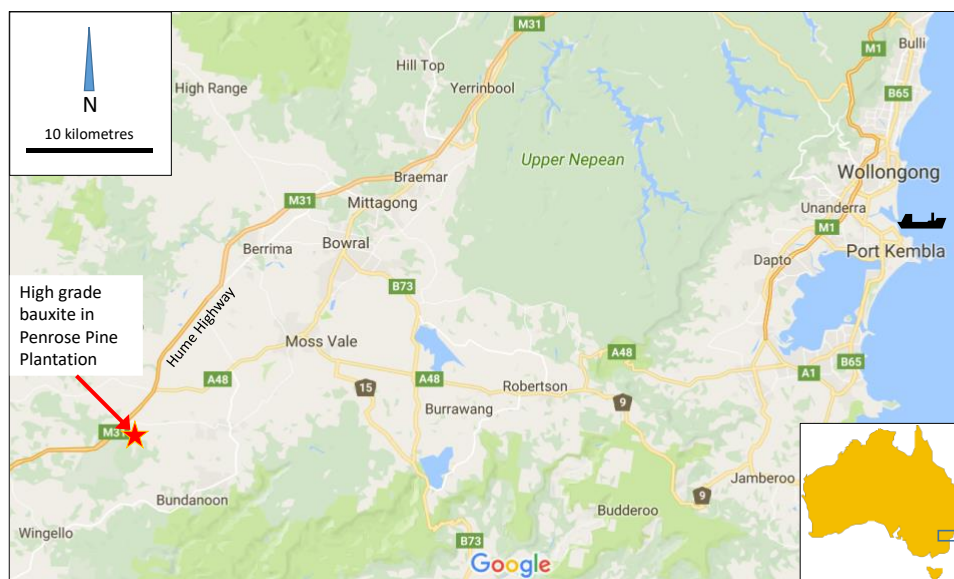


Figure 11
Locations of Penrose bauxite project, 90kms inland from Port Kembla, New South Wales



Sales & Operations: Bald Hill Bauxite Project, Campbell Town, Northern Tasmania

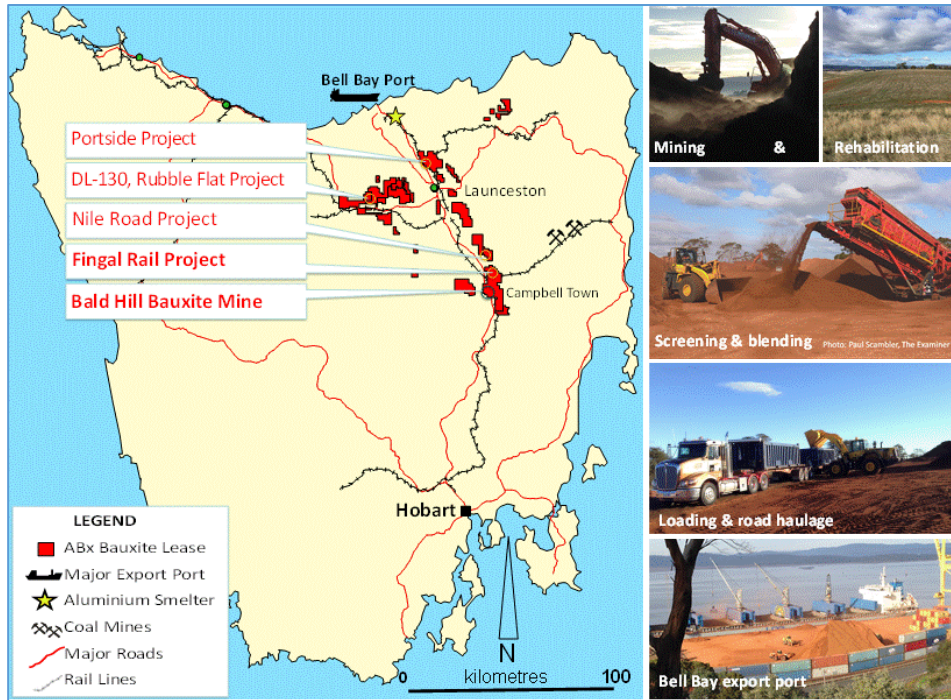


Figure 12
Locations of ABx bauxite mines, projects and transport infrastructure in Tasmania

Dispatch Date	Sale Tonnes
20/01/2016	446
8/04/2016	5,557
7/08/2016	35,913
9/09/2016	89
19/09/2017	30,000
28/09/2017	5,000
30/10/2017	669
30/04/2019	32,477
Cement Sub Total	110,152
24/11/2015	195
16/03/2016	390
14/09/2016	1,500
31/01/2017	351
28/02/2017	429
31/03/2017	430
30/04/2017	78
3/10/2017	468
13/11/2017	857
6/12/2017	704
23/03/2018	1,412
30/09/2018	978
5/02/2019	347
7/03/2019	586
3/04/2019	310
12/06/2019	540
12/07/2019	154
Fertiliser Sub Total	9,730
Total all sales	119,882

Minesite screened stockpiles (grade controlled, ready to blend/sell)

Metallurgical grade	150 tonnes
Cement-grade	350 tonnes
Fertiliser grade	7,585 tonnes
Subtotal mine s/piles	8,085 tonnes

Port stockpiles

Cement-grade (bauxite stockpile pad)	1,864 tonnes
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Total saleable processed stockpiles **9,949 tonnes**

Screened material available for classification	94,426 tonnes
Broken Ore Stocks ready for screening:	19,250 tonnes
Grand total	123,625 tonnes

This Period Totals

Production statistics as at 30 June 2019

Tonnes mined	48,471 tonnes
Tonnes screened (primary)	77,161 tonnes
Tonnes metallurgical-grade (added to cement-grade)	0 tonnes
Tonnes cement-grade	33,741 tonnes
Tonnes other screened material	35,798 tonnes
Total saleable tonnes produced	69,539 tonnes

Table 3
Operating Statistics For Bald Hill Bauxite Project



Rehabilitation on schedule



Figure 13

Rehabilitation at Bald Hill mine was nearing completion at the end of the quarter.

Mine operators are waiting for optimum weather for seeding and weed suppression.



Figures 14 & 15: Pits MB5 & 6 during mining and after rehabilitation

Land can be restored to productive standard within 2 or 3 years – as shown for the rehabilitated mined area above.



Qualifying statements

General

The information in this report that relate to Exploration Information and Mineral Resources are based on information compiled by Jacob Rebek and Ian Levy who are members of The Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Rebek and Mr Levy are qualified geologists and Mr Levy is a director of Australian Bauxite Limited.

Mainland

The information relating to Mineral Resources on the Mainland was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

Mr Rebek and Mr Levy have sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which they are undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of exploration Results, Mineral Resources and Ore Reserves. Mr Rebek and Mr Levy have consented in writing to the inclusion in this report of the Exploration Information in the form and context in which it appears.

Tasmania

The information relating to Exploration Information and Mineral Resources in Tasmania has been prepared or updated under the JORC Code 2012.

Mr Rebek and Mr Levy have sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Rebek and Mr Levy have consented in writing to the inclusion in this report of the Exploration Information in the form and context in which it appears.

Disclaimer Regarding Forward Looking Statements

This ASX announcement (Announcement) contains various forward-looking statements. All statements other than statements of historical fact are forward-looking statements. Forward-looking statements are inherently subject to uncertainties in that they may be affected by a variety of known and unknown risks, variables and factors which could cause actual values or results, performance or achievements to differ materially from the expectations described in such forward-looking statements.

ABx does not give any assurance that the anticipated results, performance or achievements expressed or implied in those forward-looking statements will be achieved.

Patent

Refined Ore Industries Ltd (ROIL) is the owner of the CORE process technology via ROIL's intellectual property company, Berkeley Process Technologies Pty. Ltd. ROIL's CORE process technology involves the refining of a wide range of ore types using a combination of fluorine acids and related thermal energy process steps. The technology that is licensed to ABx and ALCORE is part of ROIL's broader technology.

Table 2: Tenement information required under LR 5.3.3

Tenement No.	Location
New South Wales	
EL 6997	Inverell
EL 8370	Penrose Forest
EL 7357	Taralga
EL 8600	Penrose Quarry
Queensland	
EPM 18014	Binjour
EPM 18772	Binjour Extension
EPM 25146	Toondoon EPM
ML 80126	Toondoon ML

Tasmania	
EL 7/2010	Conara
EL 9/2010	Deloraine
EL 18/2014	Prosser's Road
ML 1961 P/M	Bald Hill Bauxite

Notes:

During the quarter, two exploration tenements were relinquished.

All tenements are in good standing, 100% owned and not subject to any Farm-in or Farm-out agreements, third-party royalties nor are they encumbered in any way

Resource Statement

Tabulated below are the Mineral Resources for each ABx Project. The initial ASX disclosure for these Resources is given in the footnotes to the table. Refer to these announcements for full details of resource estimation methodology and attributions.

Table 3: ABx JORC Compliant Resource Estimates

Region	Resource Category	Million Tonnes	Thickness (m)	Al ₂ O ₃	SiO ₂	A/S	Fe ₂ O ₃	TiO ₂	LOI	Al ₂ O ₃ Avl	Rx SiO ₂	Avl/Rx	% Lab Yield	O'Burden (m)	Int.Waste (m)
				%	%	ratio	%	%	%	@ 143°C %	%	ratio	%	(m)	(m)
CAMPBELL TOWN AREA TASMANIA ⁷	Inferred	1.3	3.0	42.6	3.5	12	25.4	3.5	24.6	36.7	3.0	12	50	2.1	0.1
	Indicated	1.4	3.2	42.5	3.2	14	26.4	3.0	24.5	36.2	2.8	14	55	1.8	0.1
	Total	2.7	3.1	42.5	3.3	13	25.9	3.3	24.5	36.5	2.9	13	52	2.0	0.1
Fingal Rail Cement-Grade Bauxite ⁸	Inferred	2.4	3.3	30.9	19.5	–	35.4	3.9	16.7	–	–	–	–	1.9	0.1
	Indicated	3.9	3.8	31.1	19.0	–	35.2	4.0	16.9	–	–	–	–	1.7	0.1
	Total	6.3	3.6	31.0	19.2	–	35.3	4.0	16.8	–	–	–	–	1.8	0.1
DL-130 AREA TAS ¹	Inferred	5.7	3.8	44.1	4.3	10	22.8	3.1	25.0	37.6	3.2	12	55	1.5	0.1
	Total Tas	14.7	3.6	38.2	10.5	n.a.	28.7	3.5	21.4	n.a.	n.a.	n.a.	54	1.7	0.1
BINJOUR QLD ² DSO, Screen & Cement	Inferred	14.2	4.3	40.7	7.3	6	24.7	4.3	22.1	32.3	6.7	5	80	8.5	0.3
	Indicated	22.8	4.0	33.5	19.2	2	24.9	4.2	16.8	15.8	17.4	1	63	6.6	0.3
	Total	37.0	4.1	44.1	3.6	12	23.1	3.7	24.6	39.0	3.0	13	61	8.9	0.3
TOONDOON QLD ³	Inferred	3.5	4.9	40.2	7.2	6	25.3	4.9	21.7	32.8	5.2	6	67	1.5	0.0
TARALGA S. NSW ⁴	Inferred	9.9	3.1	40.4	5.7	7	24.6	4.1	22.2	35.2	1.9	18	54	0.1	0.2
	Indicated	10.2	3.7	41.3	5.3	8	25.9	4.0	22.9	36.1	1.9	19	55	0.7	0.4
	Total	20.1	5.6	40.8	5.5	7	25.3	4.0	22.6	35.7	1.9	19	55	0.5	0.3
PDM-DSO*	Inferred	7.6	2.5	37.0	6.0	6	38.4	3.5	13.3	22.1*	1.3	17	72	0.2	0.1
	Indicated	10.3	3.1	37.6	3.9	10	40.4	3.7	13.5	22.4*	1.1	20	71	0.7	0.4
	Total	17.8	5.8	37.3	4.8	8	39.6	3.6	13.5	22.3*	1.2	18	72	0.5	0.3
Total Taralga	37.9	5.7	39.2	5.2	8	32.0	3.8	18.3	35.4	1.6	23	63	0.5	0.3	
INVERELL N. NSW ⁵	Inferred	17.5	4.7	39.8	4.8	8	27.7	4.3	22.2	31.0	4.2	7	61	2.3	
	Indicated	20.5	4.8	40.6	4.7	9	26.9	4.1	22.5	32.0	4.0	8	60	2.4	
	Total	38.0	4.8	40.2	4.7	9	27.3	4.2	22.4	31.6	4.1	8	61	2.4	
GUYRA N. NSW ⁶	Inferred	2.3	4.2	41.4	3.6	12	26.2	3.3	24.6	35.0	2.8	13	56	3.4	
	Indicated	3.8	5.9	43.1	2.6	16	27.3	3.9	24.5	37.4	2.0	18	61	4.4	
	Total	6.0	5.3	42.5	3.0	14	26.9	3.7	24.5	36.5	2.3	16	59	4.0	
GRAND TOTAL ALL AREAS		137.1													

* PDM is Al₂O₃ spinel. Al₂O₃ Avl at 225°C is >35%

Explanations: All resources 100% owned & unencumbered. Resource tonnage estimates are quoted as in-situ, pre mined tonnages. All assaying done at NATA-registered ALS Laboratories, Brisbane.
Chemical definitions: Leach conditions to measure available alumina "Al₂O₃ Avl" & reactive silica "Rx SiO₂" is 1g leached in 10ml of 90gpl NaOH at 143°C for 30 minutes. LOI = loss on ignition at 1000°C. "Avl/Rx" ratio is (Al₂O₃ Avl)/(Rx SiO₂) and "A/S" ratio is Al₂O₃/SiO₂. Values above 6 are good, above 10 are excellent. Tonnage is for bauxite in-situ. Lab Yield is for drill dust samples screened by ALS lab at 0.26mm. Production yields are not directly related and are typically between 60% and 75%. Tonnages requiring no upgrade will have 100% yield. Resource estimates exclude large tonnages of potential extensions, overburden & interburden detrital bauxite and underlying transitional bauxite mineralisation. Production will clarify these materials.

The information above relates to Mineral Resources previously reported according to the JORC Code (see Competent Person Statement) as follows:

- 1 Maiden Tasmania Mineral Resource, 5.7 million tonnes announced on 08/11/2012
- 2 Binjour Mineral Resource, 37.0 million tonnes announced on 18/06/2018
- 3 QLD Mining Lease 80126 Maiden Resource, 3.5 million tonnes announced on 03/12/2012
- 4 Goulburn Taralga Bauxite Resource Increased by 50% to 37.9 million tonnes announced on 31/05/2012
- 5 Inverell Mineral Resource update, 38.0 million tonnes announced on 08/05/2012
- 6 Guyra Maiden Mineral Resource, 6.0 million tonnes announced on 15/08/2011
- 7 Initial resources for 1st Tasmanian mine, 3.5 million tonnes announced on 24/03/2015
- 8 Resource Upgrade for Fingal Rail Project, Tasmania announced on 25/08/2016

Tabulated Resource numbers have been rounded for reporting purposes. The Company conducts regular reviews of these Resources and Reserve estimates and updates as a result of material changes to input parameters such as geology, drilling data and financial metrics.

Global Mineral Resources total 137.1 million tonnes.



About Australian Bauxite Limited ASX Code ABX

Australian Bauxite Limited (ABx) has its first bauxite mine in Tasmania & holds the core of the Eastern Australian Bauxite Province. ABx's 12 bauxite tenements in Queensland, New South Wales & Tasmania totalled 719 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 gibbsite trihydrate (THA) bauxite that can be processed into alumina at low temperature and is becoming increasingly in shortest supply.

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 application 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 COO
Jacob Rebek Chief Geologist
Paul Glover Marketing, Exploration

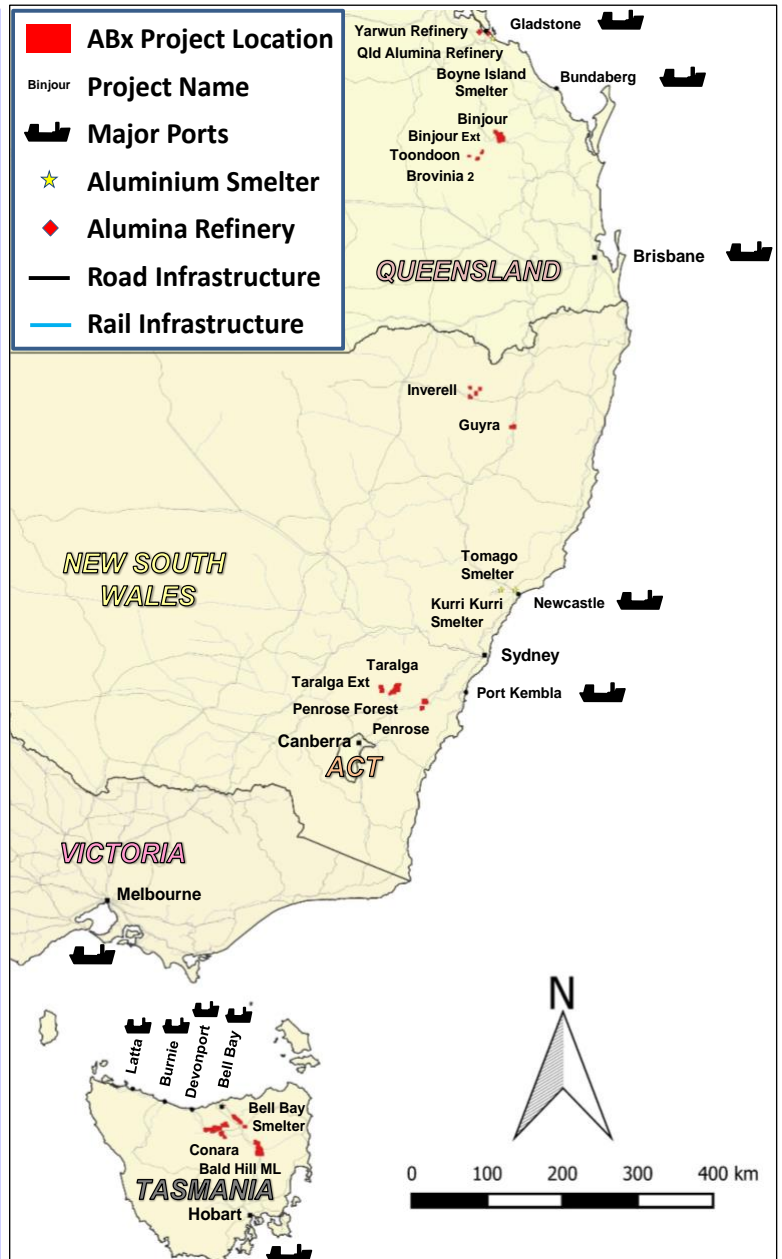


Figure 16 above

ABx Project Tenements & Major Infrastructure in ABx's major bauxite project areas nearest export ports in Eastern Australia as follows, from south to north:

1. Northern Tasmania, south of Bell Bay Port
2. Southern NSW Taralga & Penrose pine forest west of Pt Kembla
3. Central Queensland based on the major Binjour Bauxite Project, southwest of Port of Bundaberg which is a port that has no impact on the Great Barrier Reef.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Australian Bauxite Limited

ABN

14 139 494 885

Quarter ended ("current quarter")

30 September 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	8	2,049
1.2 Payments for		
(a) exploration & evaluation	(186)	(409)
(b) development	(682)	(917)
(c) production	(125)	(2,037)
(d) staff costs	(29)	(116)
(e) administration and corporate costs	(194)	(349)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	5	19
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	846	846
1.8 Other (research & development refund)	-	-
1.9 Net cash from / (used in) operating activities	(357)	(914)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	297	(375)
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	297	(375)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	208	595
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	300
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	208	895
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,302	1,844
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(357)	(914)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	297	(375)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	208	895
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period*	1,450	1450

Mining exploration entity and oil and gas exploration entity quarterly report

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	38	22
5.2 Call deposits	1,007	675
5.3 Bank overdrafts	-	-
5.4 Other (secured bank deposits)	405	605
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,450	1,302

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
Nil
Nil

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$A'000
Nil
Nil

N/A

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	Nil	Nil
8.2 Credit standby arrangements	Nil	Nil
8.3 Other (please specify)	N/A	N/A
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

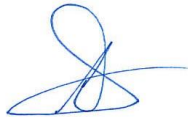
N/A

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	25
9.2 Development	50
9.3 Production	75
9.4 Staff costs	70
9.5 Administration and corporate costs	20
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	240

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	EPM 19427 EL 16/2012	Exploration License Exploration License	100% 100%	0% 0%
10.2 Interests in mining tenements and petroleum tenements acquired or increased	-	-	-	-

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:
(Company secretary)

Date: 28 October 2019

Print name: Henry Kinstlinger

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.