



## AUSTRALIAN BAUXITE LIMITED

ASX: ABZ

## ASX ANNOUNCEMENT

9 April 2013

### About Australian Bauxite Limited: ASX Code ABZ

Australian Bauxite Limited (ABx) holds the core of the newly discovered Eastern Australian Bauxite Province. Its 42 bauxite tenements in Queensland, NSW and Tasmania covering 6,883 km<sup>2</sup> were rigorously selected on 3 principles:

1. good quality bauxite;
2. proximity to infrastructure connected to export ports; and,
3. free of socio-environmental or native title land constraints.

All tenements are 100% owned and free of obligations for processing and third-party royalties. ABx has already discovered many bauxite deposits and new discoveries are still being made as knowledge and expertise grows. ABx conducts vigorous reviews of the commercial viability of its projects and tenements, resulting in new acquisitions, but also reductions in area as exploration is conducted.

ABx's bauxite is high quality, gibbsite-rich bauxite and can be processed into alumina at low temperature – the type that is in short-supply globally. **Global resources declared to date total 115.6 million tonnes.** At Inverell in northern NSW, a resource of 38.0 million tonnes<sup>1</sup> has been reported from drilling 35% to 40% of the area prospective for bauxite; at the Taralga project in southern NSW, a resource of 37.9 million tonnes<sup>2</sup> of bauxite has been reported; at Guyra<sup>3</sup>, a 6.0 million tonnes maiden resource was declared; at the Binjour Plateau in central QLD, a 24.5 million tonnes<sup>4</sup> resource has been declared; in Tasmania, a 5.7 million tonnes maiden resource has been declared and at Mundubbera in central Qld, a 3.5 million tonnes maiden resource has been declared, confirming that ABx has discovered a significant bauxite deposit including some bauxite of outstandingly high quality.

ABx aspires to identify large bauxite resources in the Eastern Australian Bauxite Province, which is emerging as one of the world's best bauxite provinces.

ABx has the potential to create significant bauxite developments in three 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.**

<sup>1 2 3 4 5 6</sup> See JORC References at rear

### Exclusivity Payment Received Due diligence underway

Australian Bauxite Limited (ABx, ASX: ABZ) executed a Term Sheet with major Chinese aluminium company, Xinfu Group (Xinfu) with respect to two State-Significant bauxite projects.

Commercial terms have been agreed between ABx and Xinfu with respect to the early development and operation of the Tasmanian and Goulburn South bauxite projects. The two companies will also share information concerning the prospective Binjour project in Queensland.

Preparation of the Mining Lease Application for ABx's first mine in Tasmania is well underway, with the expectation that production will commence in the second half of 2014.

### Payment

The Term Sheet required an exclusivity payment of A\$500,000 (**Exclusivity Payment**) for a five-month due diligence period to 31 August 2013.

The Exclusivity Payment was received on 8<sup>th</sup> April 2013, as provided in the Term Sheet.

Xinfu will commence due diligence early next week with a field visit to drilling operations at the proposed site of ABx's first mine.

### Drilling Update

The Mining Lease boundary has been finalised by recent successful drill-definition of an extension to the deposit. The formal Mining Lease Application is in preparation for lodgement, ahead of schedule, later this month.

### For further information please contact:

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ABx Project Locations

**Qualifying statement**

The information in this announcement that relates to Exploration Information are based on information compiled by Jacob Rebek who is a member of The Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Rebek is a qualified geologists and is a director of Australian Bauxite Limited.

Mr Rebek has 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 Resources. Mr Rebek has consented to the inclusion in this announcement of the Exploration Information in the form and context in which it appears.

**JORC Compliant Resource Statements**

The following are Joint Ore Reserve Code (“JORC”) compliant Public Reports released to the ASX declaring the JORC resources referred to in this announcement.

These can be viewed on the ASX website and the Company will provide these reports, free of charge on request.

- <sup>1</sup> 08/05/2012 ASX Inverell JORC Resource Update, 38.0 Million Tonnes
- <sup>2</sup> 30/05/2012 ASX Taralga Bauxite Resource Increased 50% to 37.9 Million Tonnes
- <sup>3</sup> 15/08/2011 ASX Maiden Guyra Resource, 6.0 Million Tonnes
- <sup>4</sup> 29/07/2012 ASX Binjour Maiden Resource, 24.5 Million Tonnes
- <sup>5</sup> 08/11/2012 ASX Maiden Tasmania JORC Resource, 5.7 Million Tonnes
- <sup>6</sup> 03/12/2012 ASX Maiden QLD Mining Lease JORC Resource, 3.5 Million Tonnes