

AUSTRALIAN BAUXITE LIMITED
SHAREHOLDER COMMUNICATIONS POLICY

1. INTRODUCTION TO THE POLICY

1.1. General

This Policy sets out the standards and the requirements of the Company in relation to communicating with its shareholders.

The Company believes that an effective policy for communication with shareholders enhances its strong culture of disclosure to keep the shareholders and the relevant markets informed. This Policy reflects the Board's requirement that shareholders should be fully informed about the Company and that shareholders should have access to the latest information available utilising, where practicable, electronic communications to keep shareholders and the relevant markets informed of relevant information from the Company in a timely manner.

1.2 Board approval

The Board has approved this Policy. The Board may approve updates and amendments to this Policy from time to time.

1.3 Scope

This policy endorses the Australian Securities Exchange (ASX) Corporate Governance Council's Corporate governance principles and Recommendations (ASX Principles).

1.4 Definitions

Unless the contrary intention is expressed in this Policy, the following words (when used in this Policy) have the meaning set out below:

Annual Report means the annual report (and any concise annual report) of the Company published annually for the benefit of shareholders, investors and other interested parties as prescribed by law.

Board means the Board of Directors of the Company from time to time.

Company means Australian Bauxite Limited, ACN 25 139 494 885 having its registered office at Level 2, 131 Macquarie Street Sydney NSW 2000.

Group means the Company and its subsidiaries.

Portal means the Company's internal electronic portal where Group information is gathered for the exclusive use of employees, contractors, officers, directors and management of the Group.

Share Registry means Computershare Investor Services Pty Ltd or any other share registry services provider appointed by the Company from time to time.

2. APPROVAL OF COMMUNICATIONS WITH SHAREHOLDERS

The Board will approve all shareholder communications. If in any circumstances that is not practical, shareholder communications will be approved by the executive chairman.

3. COMPANY MEETINGS

3.1. Meetings

The annual general meeting and other general meetings of the Company are the primary forum for communication by the Company with its shareholders and for shareholder participation.

3.2. Notices of Company Meeting

The Annual General Meeting and other general meetings are held in accordance with the requirements of the Corporations Act.

The date, time and location of Company meetings will be detailed in the Notice of Meeting.

AUSTRALIAN BAUXITE LIMITED
SHAREHOLDER COMMUNICATIONS POLICY

The Company will place all notices of general meetings and accompanying explanatory material on the Company's website.

The form and content of the notices of general meeting will comply with the Corporations Act 2001 and any applicable ASX listing rules and guidelines.

Shareholders may fax or e-mail Proxy Forms for Annual General Meetings and General Meetings of the Company to the Company or Share Registry as directed.

4. ANNUAL REPORT

The Company's Annual Report to shareholders is a central means of communicating to shareholders the Company's activities, operations and performance over the past financial year.

Unless the Share Registry has been notified otherwise, the Annual Report will not be sent to shareholders. Notice of how the Annual Report can be accessed will be included in the Notice of Annual General Meeting which will be sent to the address recorded on the Company's Share Register within the timeframe set by the Corporations Act.

5. THE COMPANY'S WEBSITE

The Company's website (www.australianbauxite.com.au) contains information about the Company including shareholder communications.

The Company will place on its website all ASX announcements and relevant news releases and any other information that is an official release of material information to the market as soon as reasonably practicable after such information is released to the ASX.

Relevant news releases, Company financial announcements, financial data and investment presentations for the preceding two years will be available on or via the Company's website.

6. SHAREHOLDER NEWSLETTER

It is intended in the future to send a periodical shareholder newsletter to all shareholders by the method of delivery selected by them. The Shareholder newsletter when introduced will also be available for viewing on the Company's website.

7. COMMUNICATION VIA E-MAIL

It is the intention, in the future, to offer shareholders the choice of receiving shareholder communications from the Company via email. Shareholders who elect for this option will receive an e-mail advice with a link to the relevant part of the Company's website when annual reports are released, when notices of meetings and other shareholder communications are sent and each time a relevant announcement is made by the Company and posted on the Company's website.

Shareholders who elect to receive communications from the Company by email will not receive communications by post; however, if the Company receives rejection advice for any shareholder e-mail, the relevant material will be sent to the shareholder by post. It is intended that a shareholder will be able to change their election at any time.

8. COMMUNICATION VIA POST

The Company currently communicates with its shareholder; via post and, in the future, will continue to do so where a shareholder has not elected to use an electronic form of communication or otherwise as set out above.

AUSTRALIAN BAUXITE LIMITED
SHAREHOLDER COMMUNICATIONS POLICY

9. ACCESS TO THIS POLICY

This Shareholder Communications Policy will be available for viewing by any employee of the Group on the Intranet and by any other person on the Company's website.

10. REVIEW OF THIS POLICY

This Shareholder Communications Policy is subject to regular review by the Board and will be amended (as appropriate) to reflect current best practice in communications with shareholders.

11. COMPANY CONTACTS

Employees should direct their questions about this Shareholder Communications Policy and its application in the first instance to their supervisor. If further assistance is required, questions may be directed to the Company Secretary.

Shareholders, Investors and Members of the public should direct questions about their shareholdings to the Share Registry. The contact details for the Share Registry are:

Computershare Investors Services Pty Limited
GPO Box 2975
Melbourne Vic 3001
Telephone 1300 555 159 or international +61 3 9415-4062
www.computershare.com

to contact the Company in relation to the Shareholder Communications Policy, please contact the Company Secretary at:-

Company Secretary
Australian Bauxite Limited
Level 2, 131 Macquarie Street
Sydney NSW 2000
Tel: + 61 2 9251 7177 Facsimile: + 61 2 9251 7500