

# AUSTRALIAN BAUXITE LIMITED

22-23 November 2011

**Strategy Being Confirmed**

**Moving towards development  
of Two Significant Bauxite Projects**

**Bauxite is the ore for aluminium and alumina**

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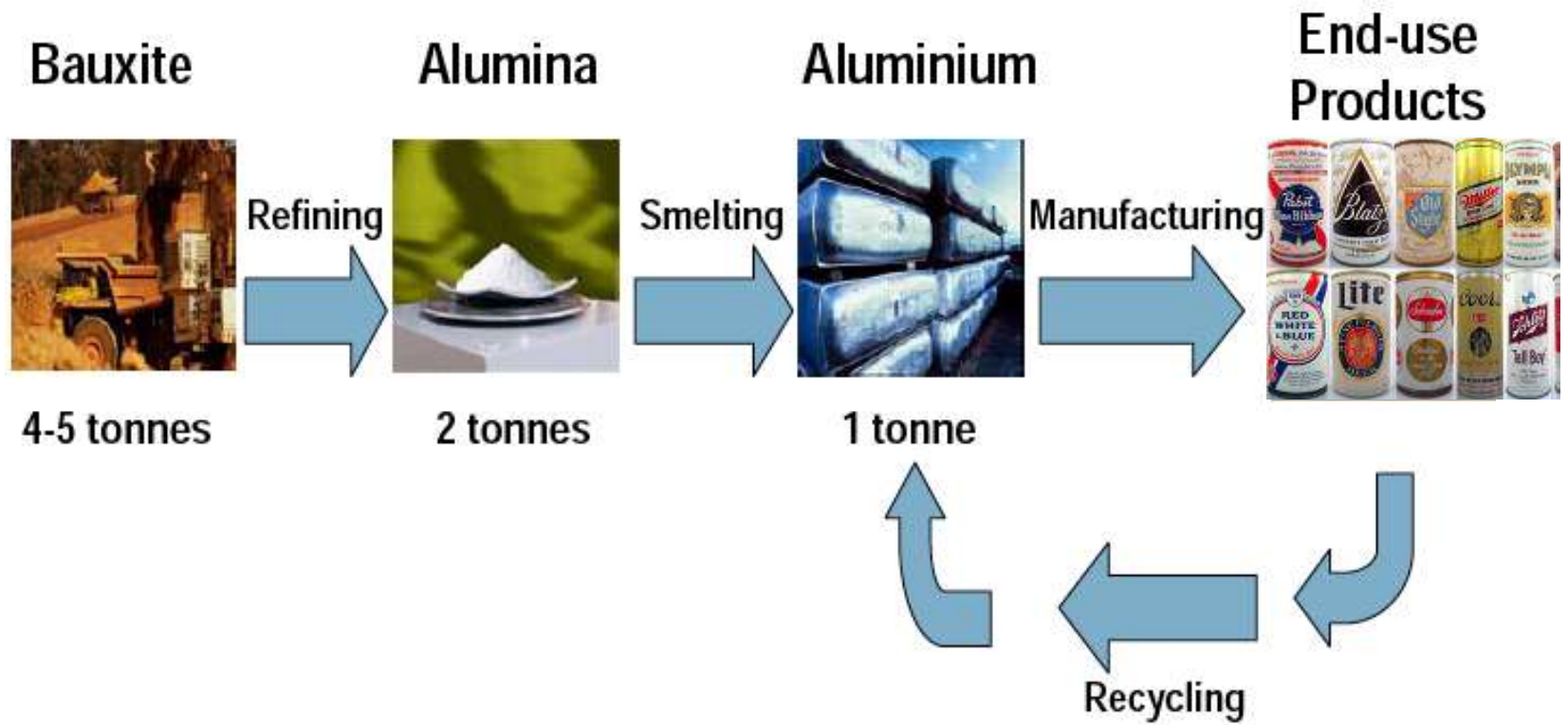
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# Market Fundamentals

Australia,  
Indonesia

China,  
India

Russia, China, India,  
Middle East, Iceland



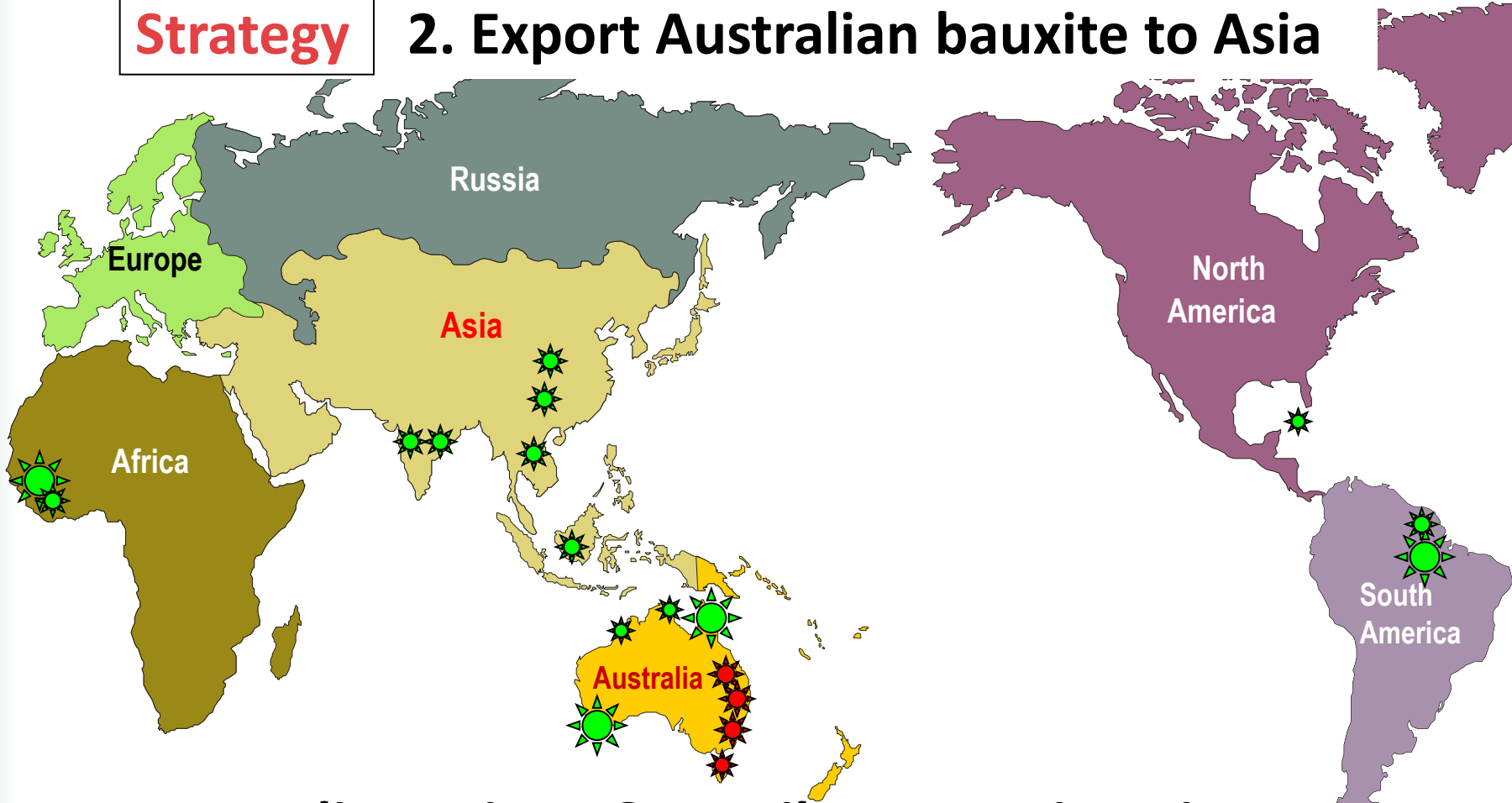
Sources: Alumina Limited  
Industrial Fact Sheets



AUSTRALIAN **BAUXITE** LIMITED

**Original  
Strategy**

1. Bauxite trade will grow fast
2. Export Australian bauxite to Asia



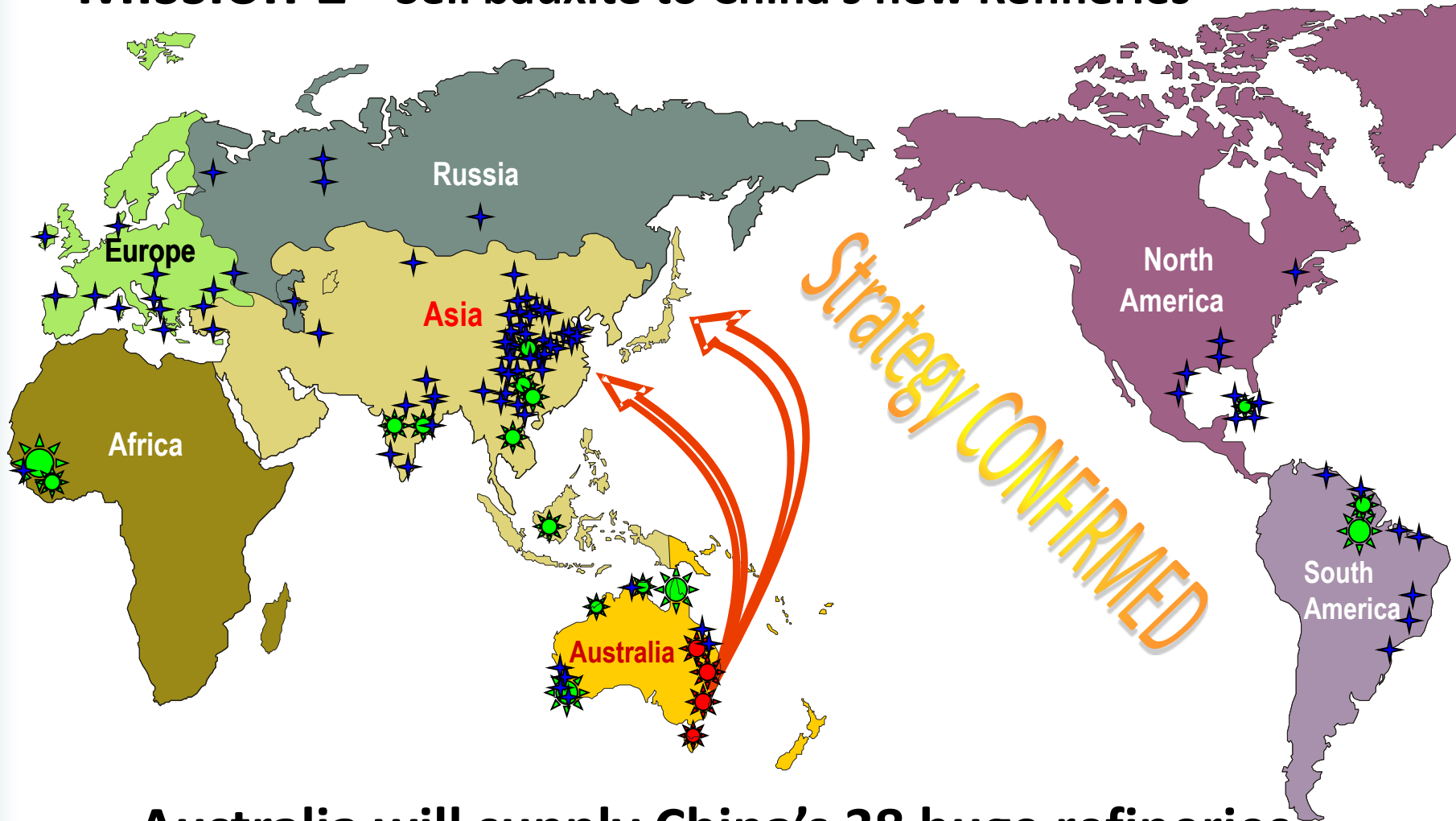
**Australia, Guinea & Brazil are Bauxite-Giants**  
**Australia is best located for China.**

**East coast discoveries**

- ★ ABx bauxite deposits
- ★ Other bauxite deposits



# Mission 1 Sell bauxite to China's new Refineries



**Australia will supply China's 38 huge refineries**

**Indonesia will supply less  
after 2014**

- ★ ABx bauxite deposits
- ★ Other bauxite deposits
- ★ Alumina Refineries



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# Alumina Refineries are huge investments

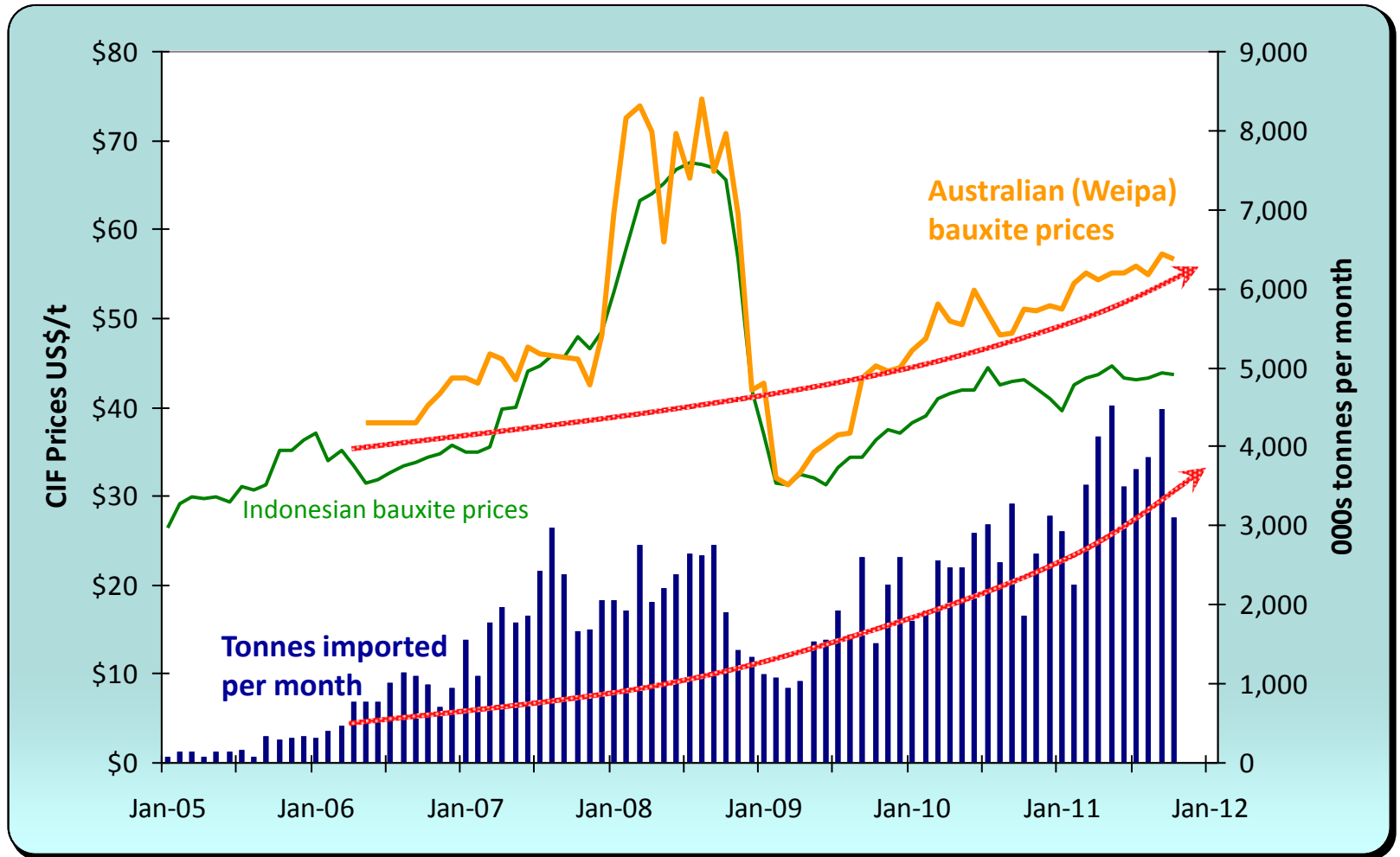
China has largest, newest refineries – won't slow down.  
China becoming increasingly reliant upon imported bauxite.



Photo from Hydro presentation



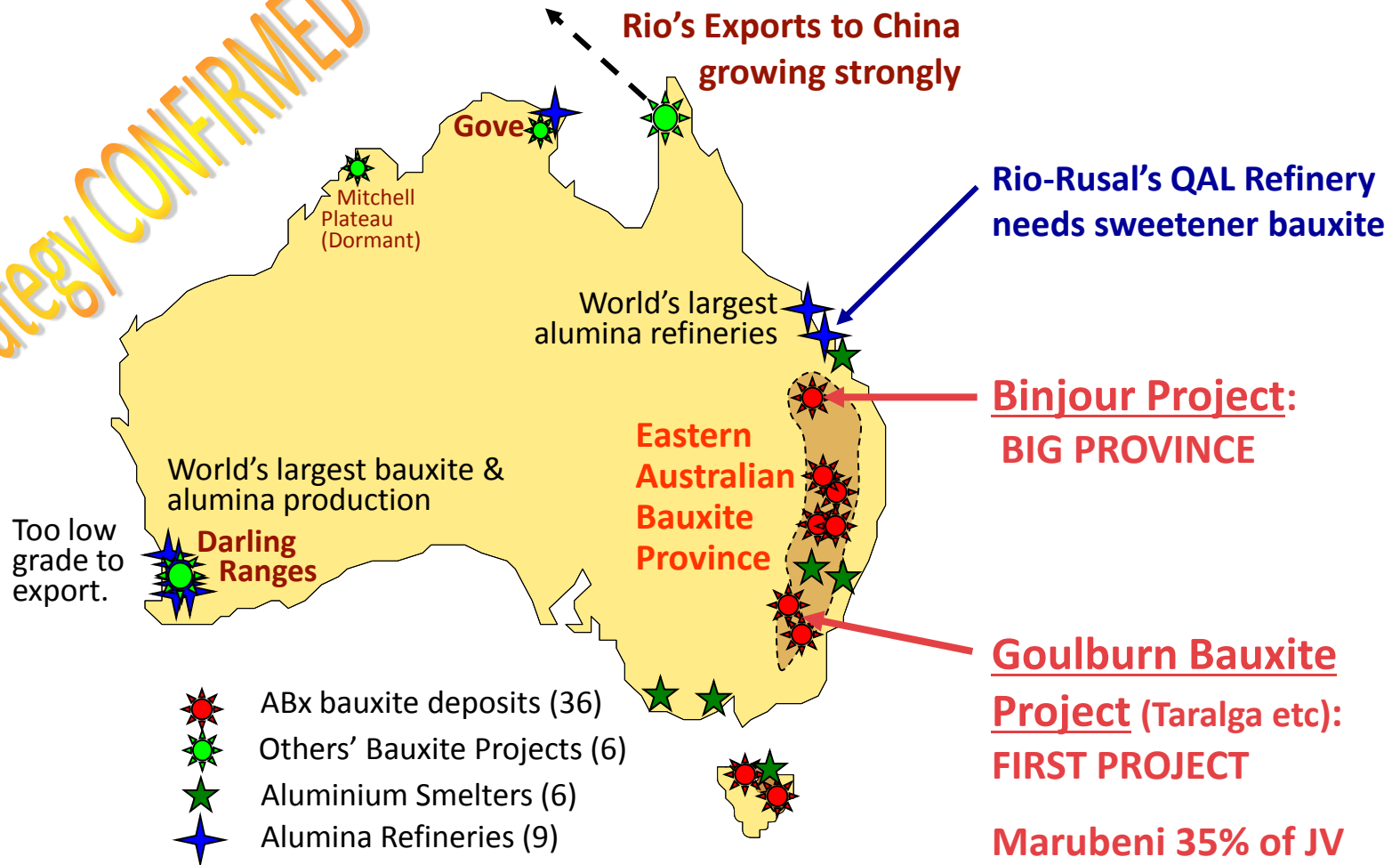
# China Bauxite Imports & Prices **are** Growing



**China's Imports Rising Strongly to + 40Mtpa. Indonesian supply is "uncertain" after 2014  
AUSTRALIA'S OPPORTUNITY IS NOW !**

# Mission 2 Sell bauxite to Australia's large Al - Industry

Strategy CONFIRMED



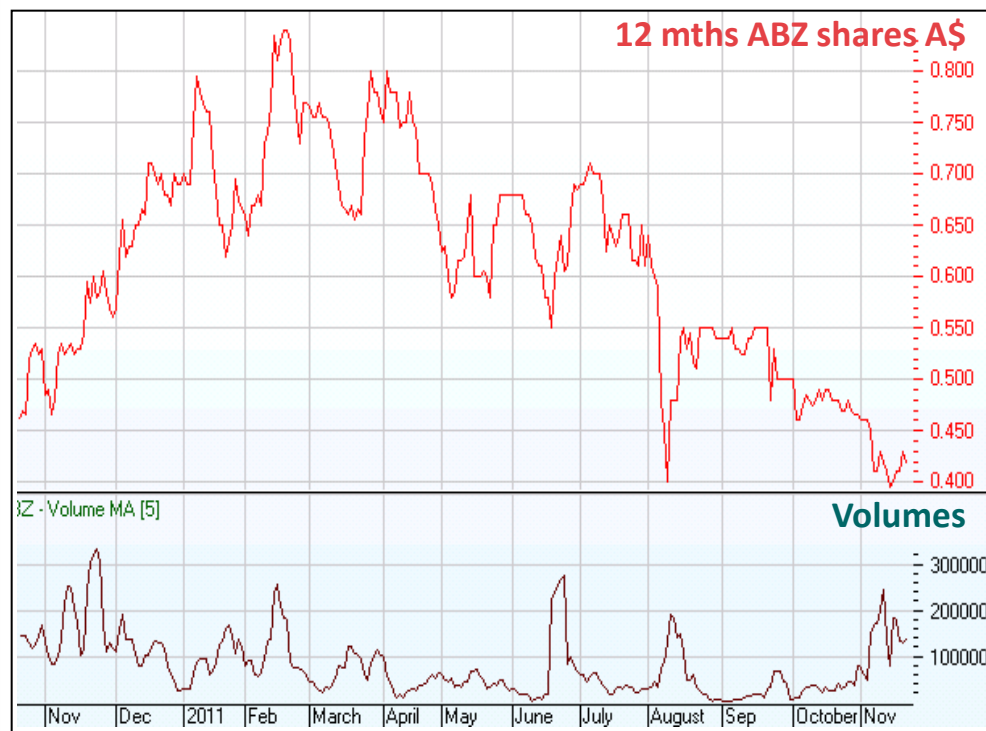
Rio will export bulk, high temperature bauxite to China.  
 ABx will supply sweetener, low temp bauxite.

# Corporate Details ABZ 4th best performing IPO of 2009-10

ASX Code : ABZ	Listed 24 Dec'09 at \$0.20
Shares	100.6 million
Options	10.3 million
Market Cap (\$0.41)	\$41.2 million
Cash (30 Sept)	\$4.6 million = 1.5yr budget
Share range	\$0.30 to \$0.84
Avg Daily Volume	125,000

Major Shareholders	Shares	%
Hudson Resources*	55.6 million	55.3%
State One Capital	7.4 million	7.4%
Soul Pattinson	1.9 million	1.9%
Top 20 Holders	77.7 million	77.2%

\* Hudson shares escrowed to Dec' 11



## Board of Directors

Peter Meers	Non-executive Chairman
Ian Levy	CEO & Managing Director
Jacob Rebek **	Executive Director
Vincent Tan	Non-executive Director
Wei Huang	Non-executive Director
Henry Kinstlinger	Company Secretary

\*\* Chief Geologist Jacob Rebek is ex CRA (Rio) Chief Geologist, Led discovery team Century Zinc '93 & Eastern Australian Bauxite '06-09



# Business Overview

- 2 Projects at Pre-development stage **PFS underway**
- 36 tenements 8,300 km<sup>2</sup> in QLD, NSW & Tas **100% owned**
- 3,600 drillholes totalling 32,000 metres **Drilling fast**
- Exploration Target 200Mt to 300Mt (big) **84Mt already<sup>1</sup>**
- Bauxite typically low silica, gibbsite bauxite **Premium**
- No restrictions on bauxite exports **Can export**
- Peers blocked by **socio-environment** **Many projects**
- Cash at 30 Sept'11 = A\$4.6 million **1.5 yrs funded**  
Annual expenditure = A\$3.3 million: Increasing

1. See JORC Statement & Exploration Target Statement Slides

# Indicative Milestones Ahead

- Reach 100 million tonnes JORC Resources

In progress <sup>1</sup>

## GOULBURN BAUXITE PROJECT

- Publish Goulburn Bauxite Product Grades
- Announce Pre Feasibility Study results
- Commence Mining Lease Application Process
- Decision to Proceed to Bankable Feasibility?

Dec'11-Jan'12

Mar-Apr 2012

Mar-Apr 2012

**Mid 2012**

## BINJOUR

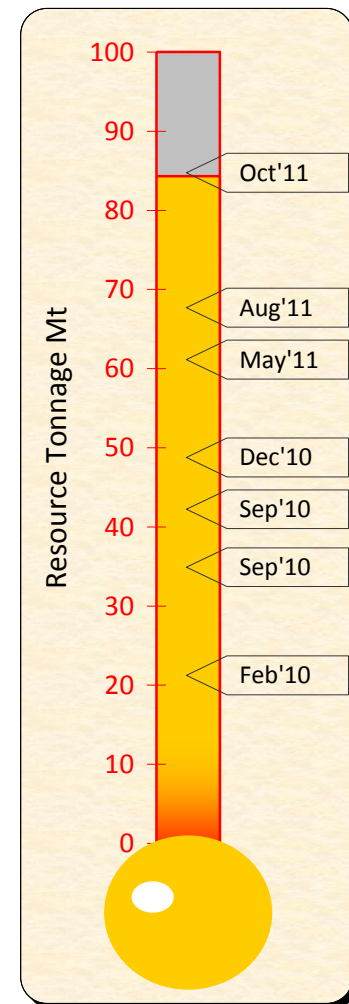
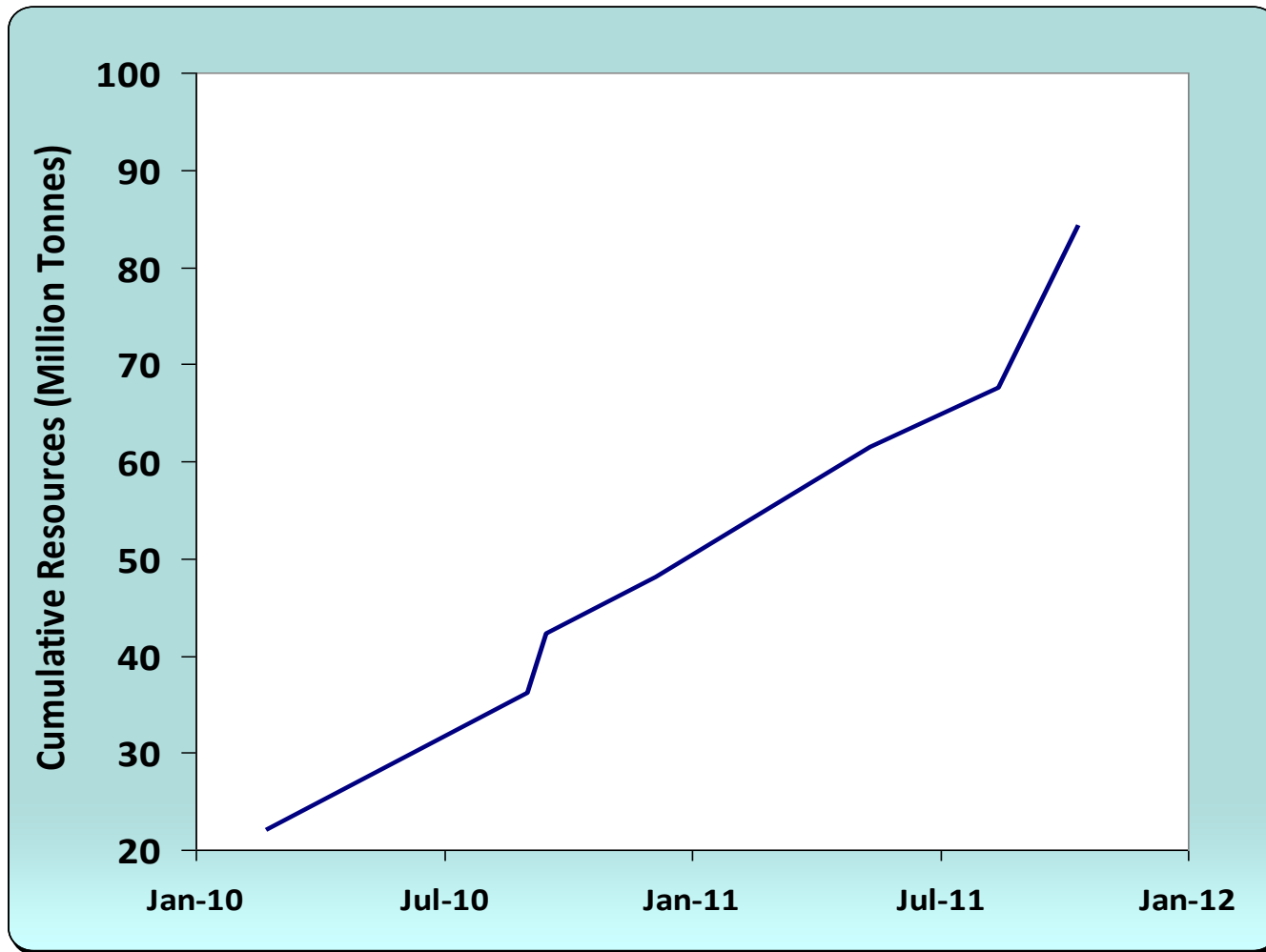
- Binjour Resource Upgrade
- Commence Pre Feasibility Studies

1<sup>st</sup> Qtr 2012

3<sup>rd</sup> Qtr 2012 ?

1. See JORC Statement & Exploration Target Statement Slides

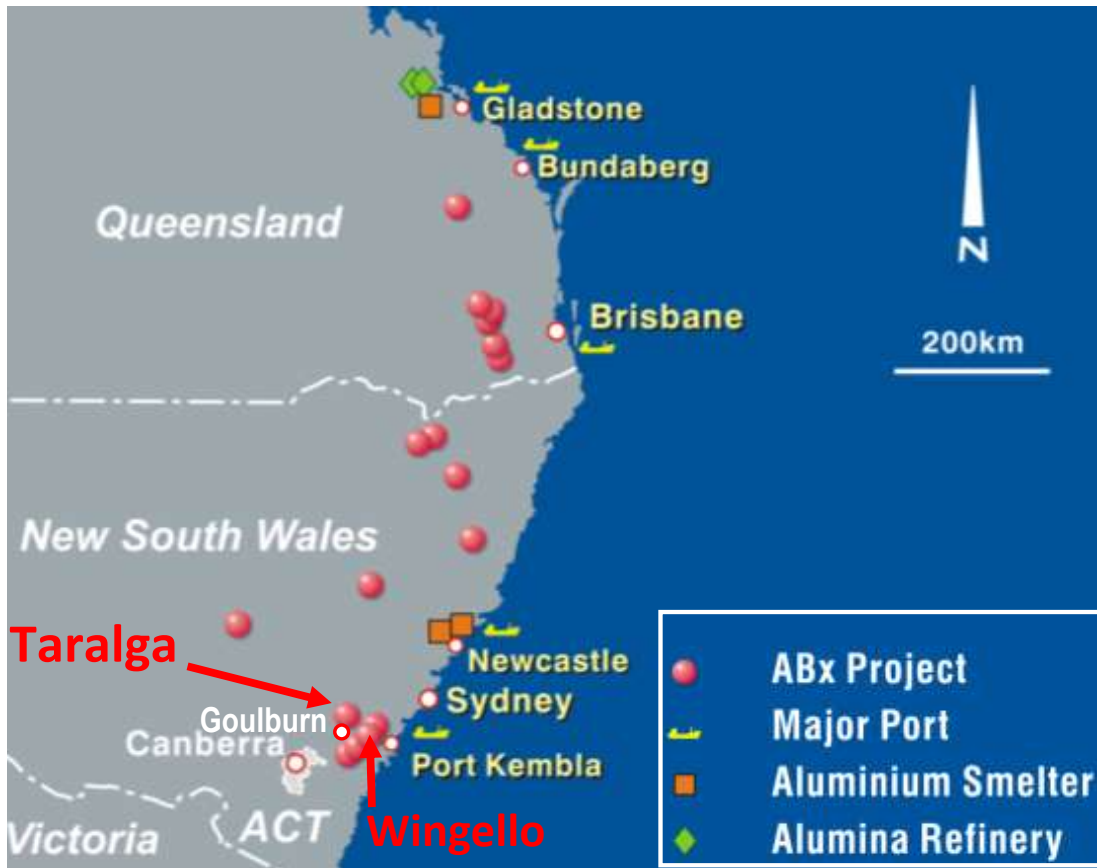
# JORC Resources **are** Growing Strongly <sup>1</sup>



**TARGET IS 200 to 300 Million Tonnes. <sup>1</sup> All deposits drilled to date produce premium quality DSO export bauxite**

1. See JORC Statement Slides

# Taralga Resources Doubled to 25m tonnes<sup>1</sup>



## Near Port Kembla

- 145km rail to Port
- Goulburn Bauxite Project Prefeasibility Study underway

- Metallurgical results **better than expected**

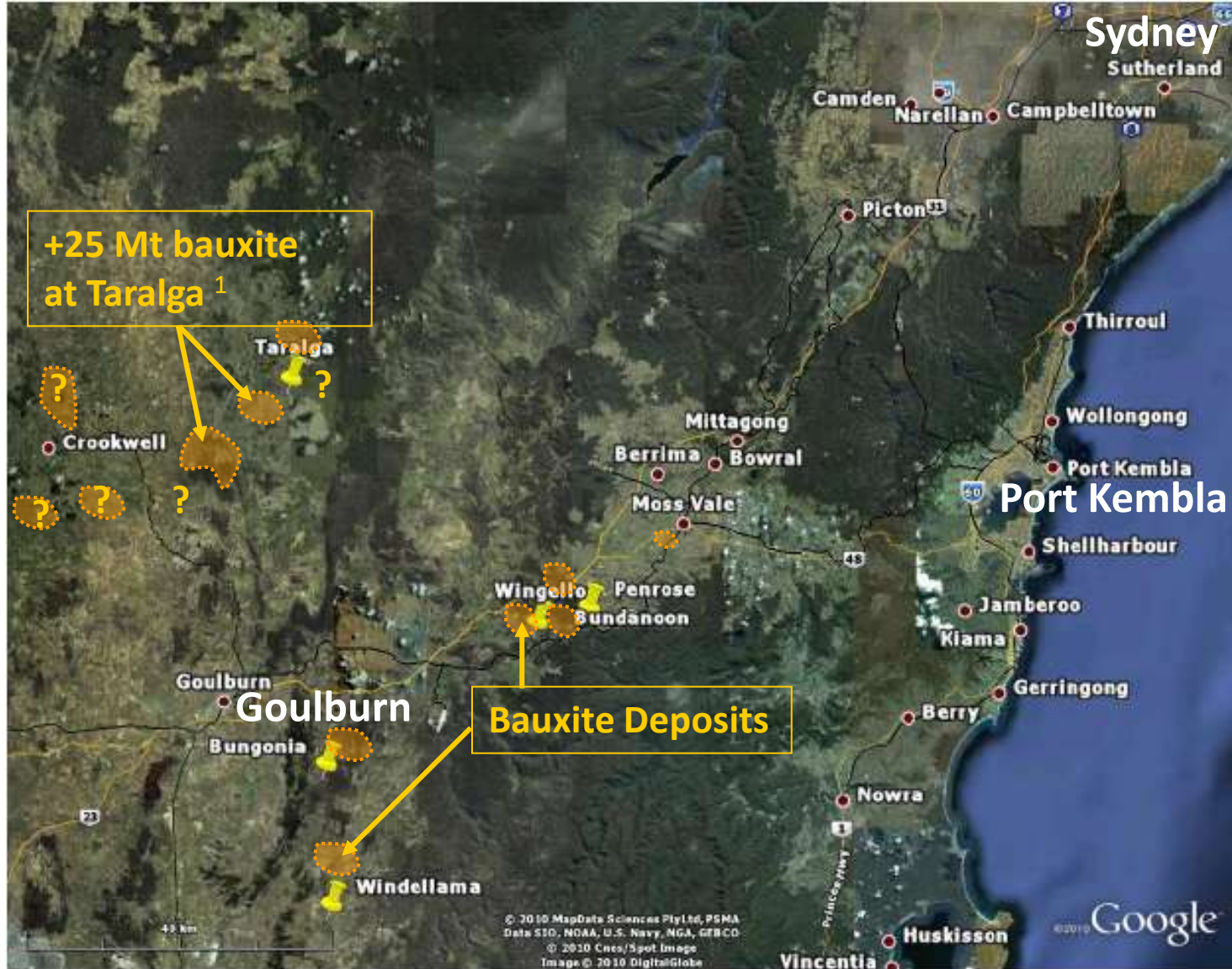
DSO Grades ~ **70%** of deposit: + 40%  $\text{Al}_2\text{O}_3$   
~ 3.5%  $\text{SiO}_2$

- New discoveries

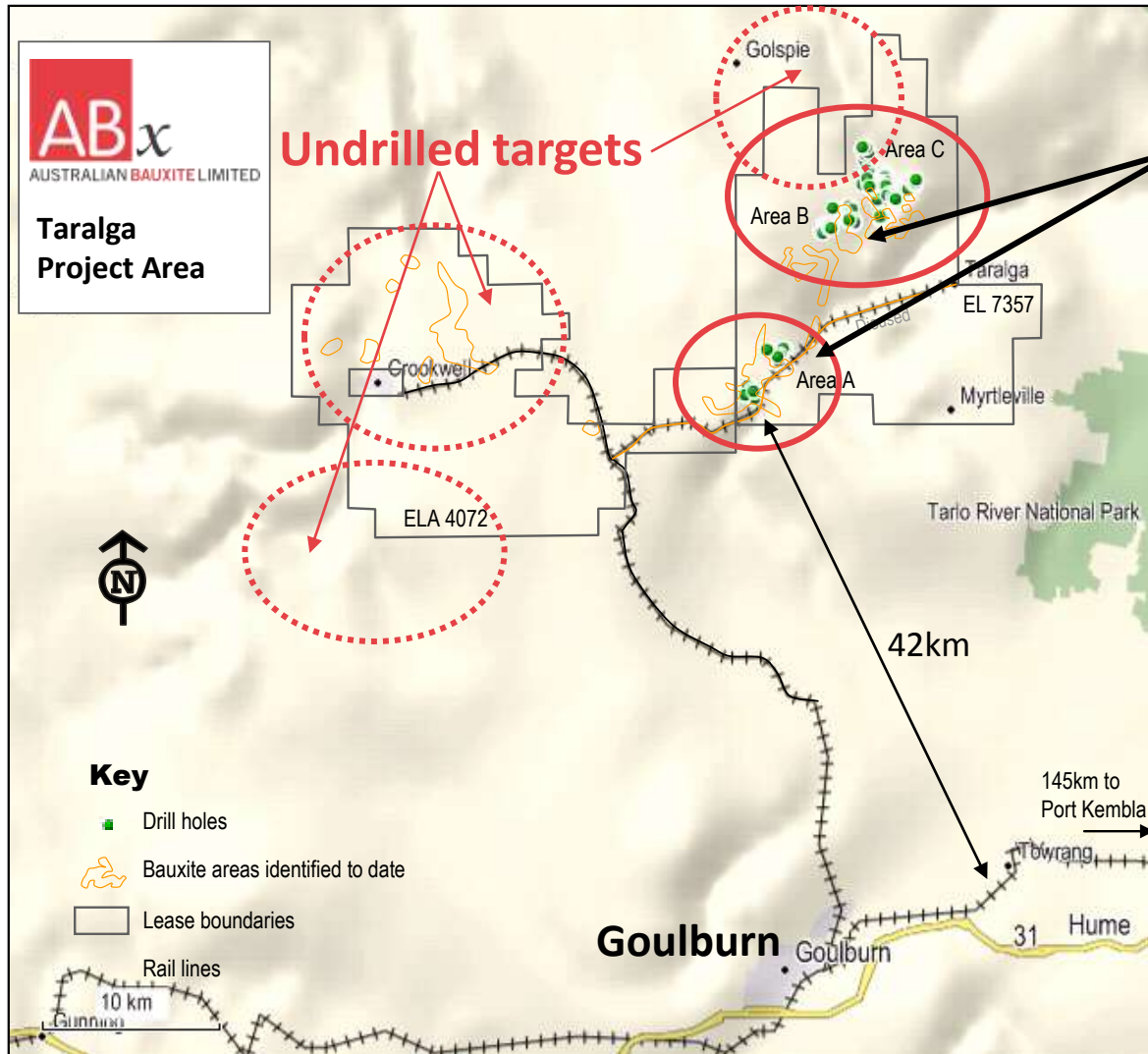
- **MOST ADVANCED PROJECT**

- **GOULBURN BAUXITE PROJECT JV WITH MARUBENI**

# GOULBURN BAUXITE PROJECT : Taralga 25Mt<sup>1</sup>



# Taralga 25m tonnes <sup>1</sup> & growing. Near Port



**25Mt announced  
12 May 2011**

**New resource extensions  
found in  
2 new Leases**

**Metallurgical testwork in  
progress**

**Early results show DSO  
is produced from ALL  
bauxite types**

**White bauxite found  
below main bauxite  
zone (refractory grade?)**

# Port Kembla: major port expansion



Two Ports competing for bauxite business



# Excellent bauxite results at Binjour



**16.8 Million Tonnes<sup>1</sup>  
Maiden JORC Resource**

**High Grade 44% Al<sub>2</sub>O<sub>3</sub>  
Gibbsite 3.5% SiO<sub>2</sub>**

**Easy production**

**Government-industry study  
of rail & port upgrade**

**DRILLING NOW TO  
EXPAND RESOURCE**

1. See JORC Statement Slides

Bauxite Resources				Sieved at 0.26mm									
Resource category	Tonnes millions	Thick-ness	Over-burden	Al <sub>2</sub> O <sub>3</sub> Avl %	Rx SiO <sub>2</sub> %	Avl/Rx Ratio	Al <sub>2</sub> O <sub>3</sub> %	SiO <sub>2</sub> %	A/S Ratio	Fe <sub>2</sub> O <sub>3</sub> %	TiO <sub>2</sub> %	LOI %	Yield %
Inferred	6.8	3.7 m	8.1 m	37.7	3.7	10.3	43.4	4.1	10.5	24.2	3.6	24.1	61%
Indicated	10.0	5.3 m	10.6 m	39.9	2.7	14.9	44.7	3.0	14.8	22.8	3.8	25.0	60%
<b>TOTAL</b>	<b>16.8 Mt</b>	<b>4.5 m</b>	<b>9.3 m</b>	<b>39.0</b>	<b>3.1</b>	<b>12.7</b>	<b>44.2</b>	<b>3.5</b>	<b>12.7</b>	<b>23.4</b>	<b>3.7</b>	<b>24.6</b>	<b>61%</b>

Leach conditions to measure available Al<sub>2</sub>O<sub>3</sub> avl & reactive Rx SiO<sub>2</sub> were 1g leached in 10ml of 90gpl NaOH at 143 degrees C for 30 mins. "Avl/Rx" ratio is (Available Al<sub>2</sub>O<sub>3</sub>)/(Reactive SiO<sub>2</sub>). "A/S" ratio is (Total Al<sub>2</sub>O<sub>3</sub>)/(Total SiO<sub>2</sub>). Values above 10 are excellent



AUSTRALIAN BAUXITE LIMITED

# Large bauxite plateau at Binjour QLD



# Landholder Relations – the key task



# Why Mine Australian Bauxite? **We do it better**

## Alumina-Alcoa's Rehabilitation in WA



A mined area at Huntly prior to rehabilitation



The same mine pit after rehabilitation

**At Australian Bauxite Limited, our policy is to only operate where we are welcomed and to leave the land at least as good as we found it, and in many cases, better.**

**If the land is prime agricultural land, it is unlikely to be underlain by bauxite. Bauxite infested areas tend to be drier and less fertile – with boulders of bauxite. We have a strong track record of respecting both strategic agricultural land and important ecosystems. We strive to be a respected corporate citizen wherever we operate.**

## Forward Looking Statement

Whilst based on information from sources considered reliable, Australian Bauxite Limited (**ABx**), its directors, employees and consultants do not represent, warrant or guarantee, expressly or impliedly, that the information in this document and presentation is complete or accurate. To the maximum extent permitted by law, ABx disclaims any responsibility to inform any recipient of this document and presentation of any matter that subsequently comes to its notice, which may affect any of the information contained in this document and presentation.

## JORC and Competent Person Statement

Information herein relating to Exploration Results, Resources and Resource Targets is based on information compiled by Ian Levy BSc MSc who is a Fellow of The Australasian Institute of Mining and Metallurgy and a Fellow of the Australian Institute of Geoscientists. Mr Levy is employed by ABx as Chief Executive Officer. Mr Levy has more than five years experience relevant to the style of mineralisation and type of deposit being reported and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves' (the JORC Code). This report is issued with the prior written consent of the Competent Person as to the form and context in which it appears.

## Exploration Target Statement

ABx has an exploration target of 200 to 300 million tonnes of bauxite, based on Mineral Resources announced in mid 2010 of 35 million tonnes of bauxite at Inverell <sup>4,5</sup> from 15% to 20% of the known bauxite deposits on Exploration Lease EL 6997 in northern NSW and 25 million tonnes of bauxite at Taralga <sup>1,2,3</sup> from approximately 50% of the bauxite targets on Exploration Lease EL 7357 in southern NSW . In accordance with the JORC Code, readers are advised that "the potential quality and grade is conceptual in nature, that there has been insufficient exploration to define full Mineral Resources and that it is uncertain if further exploration will result in the determination of a Mineral Resource". As first-pass drilling has proceeded across most of its tenements, ABx has seen no reason to vary its exploration target.

## JORC Code Compliant Public Reports

The Company advises that this presentation contains summaries of Exploration Results and Mineral Resources as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' ("JORC Code").

The following table references the location of the Code-compliant Public Reports or Public Reporting on which the summaries are based. These references can be viewed on the ASX website and the Company will provide these reports, free of charge, to any person who requests it.

Reference	Issue Date	Title of Notice as lodged with ASX
1	12/10/2011	Binjour Maiden JORC Resource
2	15/08/2011	Guyra Maiden JORC Resource
3	12/05/2011	Taralga Bauxite Resource Doubled to 25 Million Tonnes
4	06/12/2010	Taralga JORC Resource Update
5	02/09/2010	Inverell JORC Resource Update

## Direct Shipping Ore

In this presentation all references to direct shipping ore (**DSO**) refers to the company's exploration objective of defining DSO grade mineralisation. The potential quantity and grade of exploration targets is conceptual in nature, there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.