



AUSTRALIAN BAUXITE LIMITED

ASX: ABZ

## QUARTERLY REPORT

### Quarterly Activities Statement period ended 30 September 2012

#### About Australian Bauxite Limited: ASX Code ABZ

Australian Bauxite Limited (ABx) holds the core of the newly discovered Eastern Australian Bauxite Province. Its 38 bauxite tenements in Queensland, NSW and Tasmania covering 7,536 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.

The company's bauxite is high quality and can be processed into alumina at low temperature – the type that is in short-supply globally. **Global resources declared to date total 106.4 million tonnes.** At the company's first drilling prospect in Inverell, northern NSW, a resource of 38.0 million tonnes<sup>1</sup> has been reported from drilling 15% to 20% of the area prospective for bauxite and a resource of 37.9 million tonnes<sup>2</sup> of bauxite has been reported at the Taralga project in southern NSW. A 6.0 million tonnes maiden resource was declared at Guyra<sup>3</sup>. A 24.5 million tonnes<sup>4</sup> resource has been declared at the Binjour Plateau in central QLD, confirming that ABx has discovered a significant bauxite deposit including some bauxite of outstandingly high quality. Australian Bauxite Limited 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.**

#### ABx Pic of the Quarter Adaptive site clearance...



Bauxite is extracted after harvest in small pits. ABx strives for low impact, extraction of the bauxite that lies at surface.

This quarterly report is dated 30<sup>th</sup> October 2012 and is for the three months to 30<sup>th</sup> September 2012.

#### PRINCIPAL POINTS

##### Corporate

- Share Purchase Plan raises \$455,850
- Cash in hand at 30 September was \$2.29 million

##### Exploration

- Tasmanian bauxite project taking shape
  - 334 holes & 1,521 samples have defined best bauxite zones in central Northern Tasmania.
- Drill success at Tasmanian deposit DL-130 showing 6 metre thick Bauxite over wide area
  - 97km trucking distance to Bell Bay deep water port on heavy duty highway
- Three State Significant projects – Study, results and development updated
  - Expediting development of two near-term bauxite export operations to ship bauxite from Port Kembla and Bell Bay ports
  - Goulburn Pre Feasibility completed
  - Binjour metallurgical studies commenced

##### Tenement status

Tenements are 100% in good standing.

#### 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.

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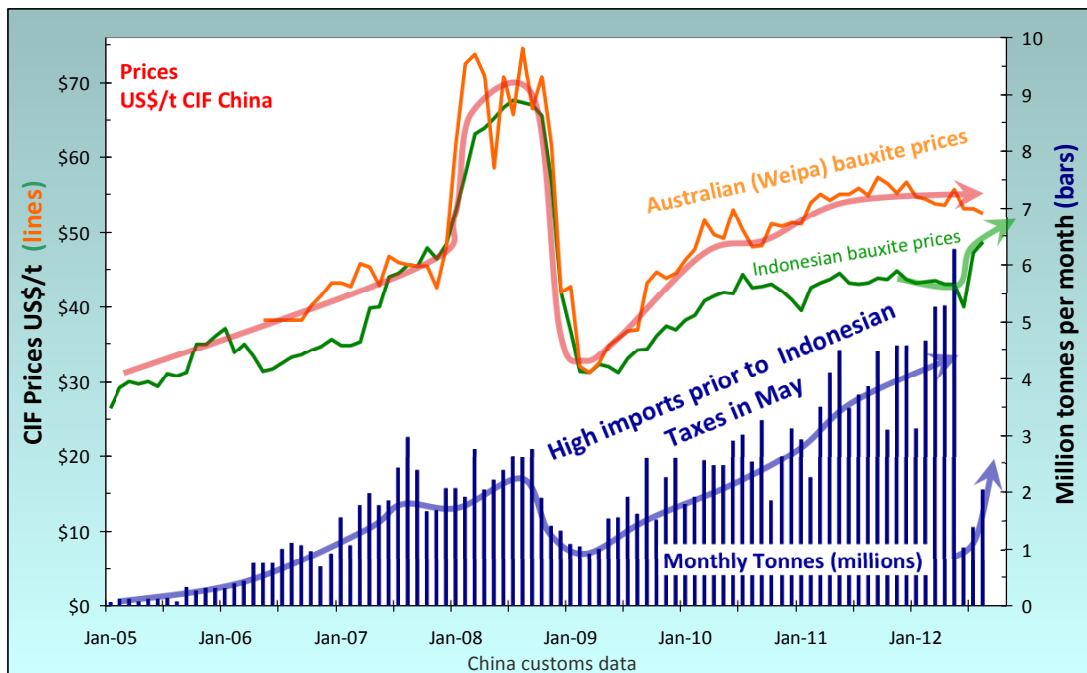


**Market Commentary**

In early 2014, Indonesian export quotas will reduce further and the tax will increase to 50% so as to support the construction of two Indonesian alumina refineries to process Indonesian bauxite into alumina and supply that alumina to Indonesia’s growing aluminium smelter industry.

Indonesian bauxite is sold to Chinese alumina refineries that operate at relatively low temperatures of around 140 degrees centigrade and rely on imports of low-temperature bauxite, which is composed of the tri-hydrate alumina mineral called gibbsite -- the same type of bauxite that ABx intends to export. Approximately 65% of bauxite shipments into China come from Indonesia and 30% from Australia.

In the months prior to May 2012, Chinese imports from Indonesia were extremely high as Chinese buyers were avoiding the implementation of the 20% export tax. An all-time record of 6.274 million tonnes were imported in May 2012, of which, 5.564 million tonnes (89%) came from Indonesia. After May, exports from Indonesia fell substantially but are starting to rise again. Average prices of Indonesian bauxite increased by about 20% in August to US\$48.68 due to the 20% export tax imposed in May. This is the highest average monthly price since 2008 when Indonesian bauxite prices peaked at US\$68.50 and Australian bauxite prices peaked at almost US\$75 per tonne.



**Figure 1: Chinese Bauxite Import Tonnes and Prices: 1 January 2005 to 31 August 2012**

The current Indonesian price of US\$48.68 would increase to **between US\$60 and US\$65** per tonne by the imposition of the 50% export tax on Indonesian bauxite exports in 2014. However, it is predicted that Indonesian bauxite exports will be further restricted in 2014 and become more expensive due to the 50% Indonesian export tax, higher production costs in Indonesia where the easy-bauxite has been largely mined out and due to improved rehabilitation standards. Some Chinese bauxite importers have recently paid US\$63 per tonne of bauxite from Jamaica -- a taste of things to come.

**Pre-Feasibility Study Completed**

ABx received a Pre-Feasibility Study (PFS) report by Como Engineers and a Stage 2 Mine to Port Logistics Study by GHD for the Goulburn Bauxite Project in Southern New South Wales. Whilst this work was in progress, ABx discovered the thickest bauxite ever found in Australia at Mt Rae 40km north of Goulburn, expanded resources at Binjour in central Queensland and discovered several bauxite deposits in Tasmania in viable locations near Bell Bay deepwater mineral export port.



### Bauxite Prices & Exchange Rates Forecasts

Year		2014	2015	2016	2017	2018
Bauxite price	US\$/t CIF	\$57.00	\$60.00	\$63.00	\$65.00	\$66.00
Freight	US\$/t	\$19.50	\$19.90	\$20.30	\$20.70	\$21.00
Bauxite FOB	US\$/t FOB	\$37.50	\$40.10	\$42.70	\$44.30	\$45.00
USD: AUD fx	A\$ per US\$1	1.00	0.98	0.95	0.90	0.90
<b>Bauxite Price FOB</b>	<b>A\$/t FOB</b>	<b>\$37.50</b>	<b>\$40.92</b>	<b>\$44.95</b>	<b>\$49.22</b>	<b>\$50.00</b>

### Operating Costs

The range in operating costs relate to the transport infrastructure option. Lowest operating costs relate to highest capital cost infrastructure solutions whilst higher operating costs are those arising from lower capital cost infrastructure options and lower tonnage production rates in the first few years.

Goulburn North projects are based on those deposits in the Taralga-Crookwell area approximately 42 to 50 km north of Goulburn. Goulburn South projects are based on deposits south and east of Goulburn that are within easy trucking distance of Port Kembla. Some are also immediately adjacent to the heavy rail line that runs to Port Kembla but the rail option for Goulburn South projects are yet to be independently costed.

The Goulburn Bauxite Project will probably commence at Goulburn South because of the lower operating costs and lower capital costs involved. The Tasmanian projects are the lowest operating and capital cost of the three projects and it is assumed that they will operate at a low production rate of less than one million tonnes per year until they become widely accepted in Tasmania.

Operating Cost		Goulburn North*	Goulburn South	Tasmania
Mining	A\$/t	\$5.00	\$5.00	\$5.00
Administration	A\$/t	\$1.00	\$1.00	\$1.00
State Royalty	A\$/t	\$0.35	\$0.35	\$0.80*
Road Haul	A\$/t	\$7.80 - \$10.80	\$16.00 - \$18.55	\$12.60
Train Loading	A\$/t	\$5.00 - \$5.40	--	--
Rail Freight	A\$/t	\$10.35	--	--
Port Costs	A\$/t	\$7.00	\$7.00	\$7.00 - \$8.50
<b>TOTALS</b>	<b>A\$/t FOB</b>	<b>\$36.50 - \$39.90</b>	<b>\$29.35 - \$31.90</b>	<b>\$26.40 - \$27.95</b>

\* 1.9% royalty rate.

### Capital Costs

Capital Cost		Goulburn North*	Goulburn South	Tasmania
Net Land Costs	A\$ millions	\$3.30	\$2.50	\$2.00
Roads and Site	A\$ millions	\$25.55	\$8.00	\$4.25
Rail Siding	A\$ millions	\$31.15	--	--
Port Facilities	A\$ millions	\$15.00	\$5.50	\$2.40
Contingency	A\$ millions	\$15.00	\$3.90	\$1.75
<b>TOTALS</b>	<b>A\$ millions</b>	<b>\$90.00</b>	<b>\$20.00</b>	<b>\$10.40</b>

\* Note that the studies by GHD and Como Engineers investigated several other land transport and port options from mine to port, in order to identify preferred options. These still have significant potential upsides in capital and operating costs and will be studied further during the bankable feasibility study.

ABx engineers continue to explore the relative merits of the preferred options with regards community acceptability, including reactivating part of the old disused rail line between Goulburn and Crookwell or, installing a slurry pipeline or, creating a dedicated haulage road separate from public roads.



## Projects Status

### Tasmanian Bauxite Project

The Company received laboratory and exploration results from drilling and surface exploration at its newly consolidated 11 Tasmanian exploration tenements totalling 1,897 square kilometres in central Northern Tasmania (see Figure 2).

334 drill holes and 1,521 surface samples (some of substantial size) have been completed in Tasmania over the past 18 months and all results have been carefully assessed so as to define areas that may be suitable for a bauxite extraction and export project on the basis of:

1. Sufficient tonnages of thick, good quality low-silica, gibbsite-rich bauxite
2. Nearness to high-capacity transport routes linked to nearby mineral export ports
3. Most importantly, as free as possible of socio-environmental constraints that might prevent investment in a new business in central Northern Tasmania

Community consultation and expert advice has led to a greater level of confidence that bauxite extraction could be viable in several of these areas once sufficient resources are identified and required approvals obtained.

ABx located several Tasmanian bauxite deposits in ideal, straightforward settings for early development with no socio-environmental consequences. ABx is now expediting the sequential early development of 3 deposits that could support a blended export project.

Recent drilling tested Bauxite Deposit DL-130 located 65km south-south-west of Bell Bay deepwater port in a privately owned plantation that is under harvest. Thicker than expected bauxite was encountered up to 6 metres thick over a wide area which suggests that with this project could commence production earlier than anticipated with minimal impacts, returning the land to plantation timber after extracting the surface layer of bauxite and replacing the thin soil layer.

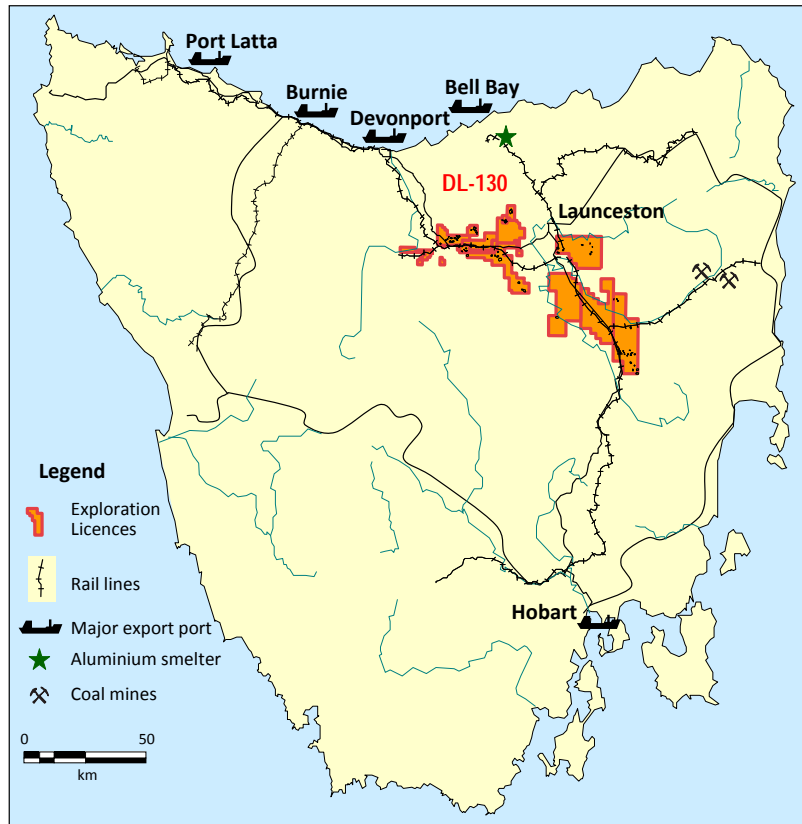
Central Northern Tasmania has good infrastructure, with an operating rail line passing through the bauxite areas as well as heavy haulage highways. Both rail and road link directly to efficient operating mineral export ports at Burnie and Bell Bay that have spare port capacity. Tasmania has a well-developed electric power grid based mainly on hydroelectric power and has ample water supplies. Natural gas from the Bass Strait field is distributed throughout Tasmania and there are many well-established population centers.

New South Wales		
ABx1 Pty Ltd	Project	Km <sup>2</sup>
EL 6997	Inverell	297
EL 7268	Pindaroi	138
EL 7361	Guyra	300
EL 7824	Guyra Extension	288
EL 7596	Merriwa - 1	45
EL 7597	Merriwa - 2	318
EL 7598	Merriwa - 3	195
	Merriwa	
EL 7950	Extension	264
EL 7872	Glencoe	300
EL 7858	Stannifer	294
ELA 4643*	Coolah	300
ABx2 Pty Ltd		
EL 7269	Windellama	270
EL 7279	Wingello West	21
	Wingello	
ELA 4038*	Extended	39
EL 7357	Taralga	300
EL 7681	Taralga Extension	300
EL 7857	Taralga 2nd Ext	306
EL 7912	Taralga 3rd Ext	309
EL 7601	Bungonia	132
EL 7546	Penrose	30
		<b>4,446</b>
Queensland		
ABx3 Pty Ltd		
EPM 17790	Hampton	243
EPM 17800	Red Hill	144
EPM 17801	Red Hill South	150
EPM 17830	Haden	264
EPM 17831	Hillgrove	267
EPM 18014	Binjour	150
EPM 18772	Binjour Extension	123
EPMA 19582*	Binjour 2nd Ext	168
EPMA 19742*	Binjour 3rd Ext	108
EPM 19169	Tellebang	150
EPMA 19390*	Brovinia	147
EPMA 19427*	Brovinia 2	141
		<b>2,055</b>
Tasmania		
ABx4 Pty Ltd		
EL 4/2010	Evandale	84
EL 6/2010	Cleveland	7
EL 7/2010	Conara	153
EL 9/2010	Deloraine	168
EL 37/2010	Westbury	174
EL 5/2011	Sassafras	30
EL 3/2012	Ross	147
ELA 12/2012*	Scottsdale	128
ELA 16/2012*	Reedy Marsh	144
*Application		<b>1,035</b>
	<b>Total all tenements</b>	<b>7,536</b>



Tasmania has a proud mining heritage. Coal mining occurs in the Fingal Valley area east of the main bauxite areas and large cement works are operating in the area south of Devonport to the west of the bauxite areas. The Bell Bay aluminium smelter is operated by Rio Tinto Alcan. Central Northern Tasmania has some of Australia's best steel fabrication and heavy machinery workshops as well as highly experienced earth moving, transport and construction contractors.

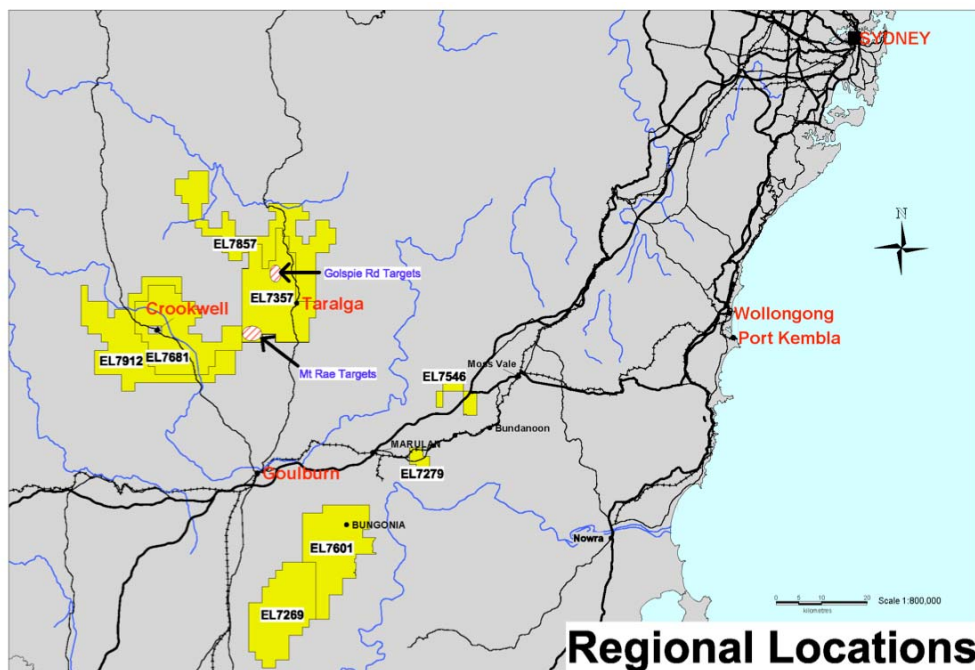
In summary, the Tasmanian bauxite project areas in central northern Tasmania are supplied with power, water, communications and transport infrastructure, near industrial centres serviced by efficient mineral export ports that operate all year round without seasonal interruptions.



**Goulburn Bauxite Project**

**Figure 1 ABx Tasmanian Bauxite Tenements, Deposits & Drillhole Locations (dots) and Infrastructure**

This project comprises 8 Exploration Licences (“ELs”) centred around the old mining city of Goulburn, southern NSW located on the major rail line connected directly to Port Kembla Port, which is a deepwater mineral export port, handling Cape Size and Panamax Ships. Marubeni Corporation has signed an MoU to fund 35% of the Pre Feasibility Study costing \$1.5 million with an option to buy a 35% interest in the project at the commencement of a Bankable Feasibility Study.



**Regional Locations**

Current JORC-compliant resources (see Qualifying & JORC statements below) as at 31 May 2012 are as follows:

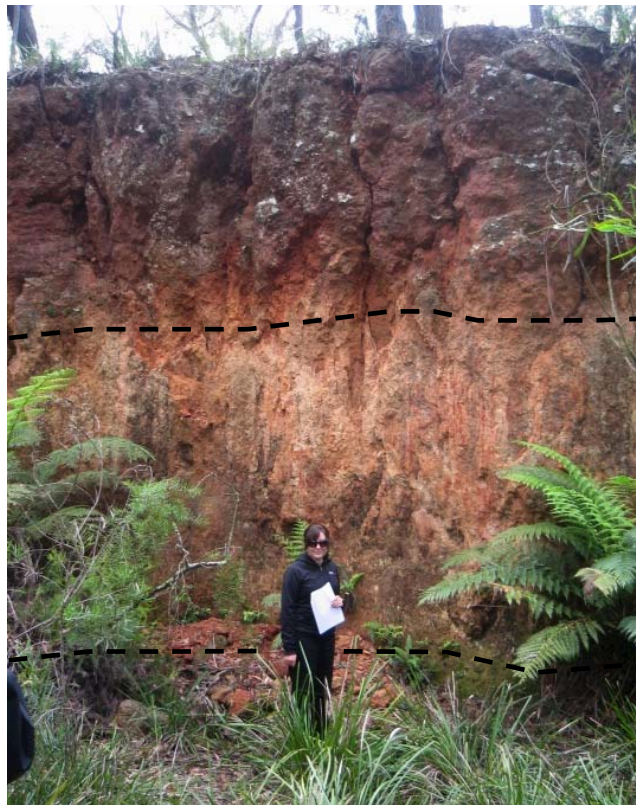
DSO Bauxite Resources				Sieved at 0.26mm										Overburden m	Internal Waste m
Resource category	Tonnes millions	Bauxite Thickness	DSO Thickness	Al <sub>2</sub> O <sub>3</sub> Avl % 143°	Rx SiO <sub>2</sub> %	Avl/Rx Ratio	Al <sub>2</sub> O <sub>3</sub> %	SiO <sub>2</sub> %	A/S Ratio	Fe <sub>2</sub> O <sub>3</sub> %	TiO <sub>2</sub> %	LOI %	Yield %		
Inferred	9.9	4.6 m	3.1 m	35.2	1.9	18.3	40.4	5.7	7.1	24.6	4.1	22.2	54%	0.1 m	0.2 m
Indicated	10.2	6.4 m	3.7 m	36.1	1.9	18.8	41.3	5.3	7.8	25.9	4.0	22.9	55%	0.7 m	0.4 m
<b>TOTAL</b>	<b>20.1</b>	<b>5.6 m</b>	<b>3.4 m</b>	<b>35.7</b>	<b>1.9</b>	<b>18.5</b>	<b>40.8</b>	<b>5.5</b>	<b>7.4</b>	<b>25.3</b>	<b>4.0</b>	<b>22.6</b>	<b>55%</b>	<b>0.5 m</b>	<b>0.3 m</b>

PDM-DSO Bauxite Resources				Sieved at 0.26mm										Overburden m	Internal Waste m
Resource category	Tonnes millions	Bauxite Thickness	PDM-DSO Thickness	Al <sub>2</sub> O <sub>3</sub> Avl % 143°	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	7.6	4.8 m	2.5 m	22.1	1.3	16.8	37.0	6.0	6.1	38.4	3.5	13.3	72%	0.2 m	0.1 m
Indicated	10.3	6.5 m	3.1 m	22.4	1.1	19.8	37.6	3.9	9.5	40.4	3.7	13.5	71%	0.7 m	0.4 m
<b>TOTAL</b>	<b>17.8</b>	<b>5.8 m</b>	<b>2.8 m</b>	<b>22.3</b>	<b>1.2</b>	<b>18.4</b>	<b>37.3</b>	<b>4.8</b>	<b>7.7</b>	<b>39.6</b>	<b>3.6</b>	<b>13.4</b>	<b>72%</b>	<b>0.5 m</b>	<b>0.3 m</b>

Note: DSO Bauxite of DSO grades is recoverable from the PDM-DSO Bauxite Resources. Metallurgical testwork indicates that approximately 80% to 85% of the PDM-DSO Bauxite is DSO grade bauxite. The remainder is dense, hard, magnetic spinel nodules easily recovered by gravity and sold at refractory grade prices.

Total Bauxite Resources					Sieved at 0.26mm										Overburden m	Internal Waste m
Resource category	Tonnes millions	Bauxite Thickness	DSO Thickness	PDM-DSO Thickness	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	17.5	4.6 m	3.1 m	2.5 m	1.7	17.6	38.9	5.8	6.7	30.6	3.9	18.3	62%	0.2 m	0.2 m	
Indicated	20.4	6.3 m	3.7 m	3.1 m	1.5	19.3	39.4	4.6	8.5	33.2	3.8	18.2	63%	0.7 m	0.4 m	
<b>TOTAL</b>	<b>37.9</b>	<b>5.6 m</b>	<b>3.4 m</b>	<b>2.8 m</b>	<b>1.6</b>	<b>18.5</b>	<b>39.2</b>	<b>5.2</b>	<b>7.6</b>	<b>32.0</b>	<b>3.8</b>	<b>18.3</b>	<b>63%</b>	<b>0.4 m</b>	<b>0.3 m</b>	

Cut-off grades applied: Minimum 30% Al<sub>2</sub>O<sub>3</sub>, 2m thickness & 3 data points in 350m search ellipse for each 25m x 25m block. Leach conditions to measure available alumina "Al<sub>2</sub>O<sub>3</sub> Avl" & reactive silica "Rx SiO<sub>2</sub>" is 1g leached in 10ml of 90gpl NaOH at 143 degrees C for 30 mins. "Avl/Rx" ratio is (Al<sub>2</sub>O<sub>3</sub> Avl)/(Rx SiO<sub>2</sub>). Values above 10 are excellent. "A/S" ratio is Al<sub>2</sub>O<sub>3</sub>/SiO<sub>2</sub> where the SiO<sub>2</sub> includes inert silica sand in bauxite. Tonnage is for bauxite in-situ. Yield is for screening all samples at 0.26mm. The significant tonnages requiring no upgrade will have 100% yield.



### LAYERED BAUXITES OF SOUTHERN NSW

2 to 3 m layer of "PDM-DSO Bx" or emery-bearing pisolithic bauxite.

Comprises 15% to 30% of 5 to 50mm pisoliths of "PDM" which are nodules of dense fused alumina & maghemite-hematite dust in low-density, high quality DSO bauxite.

2 to 4 m layer of DSO bauxite.

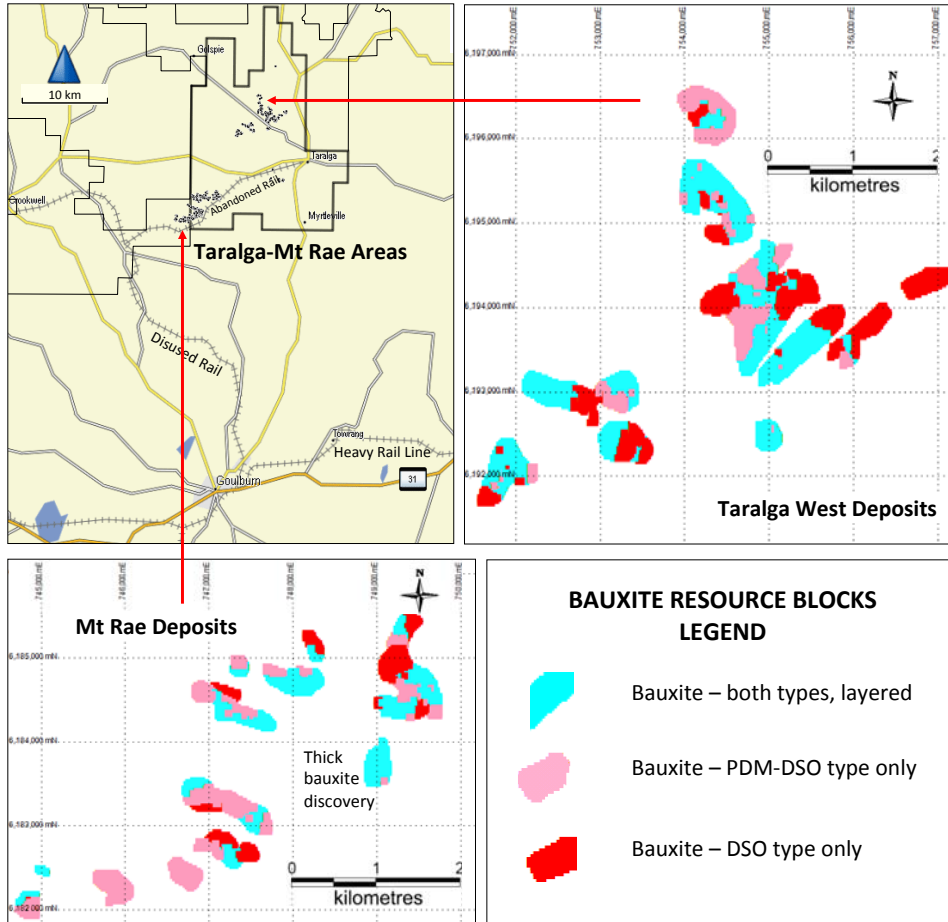
Gibbsite plus moderate levels of iron minerals, mainly hematite and limonite (little or no goethite).

Needs no processing – direct shipping bauxite ("DSO") – see Definitions.

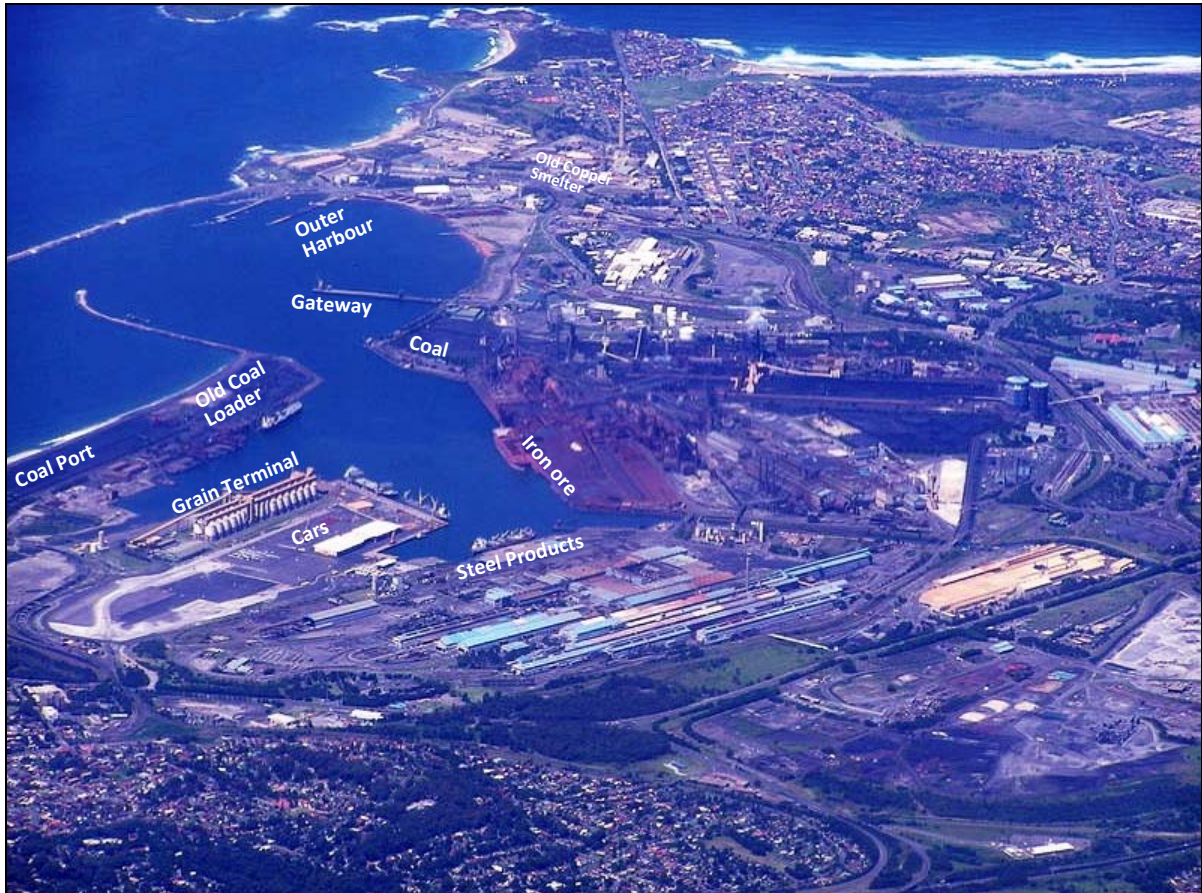
1 to 3m layer of white bauxite in places.

Gibbsite plus low iron (3% to 8% Fe<sub>2</sub>O<sub>3</sub>). May be refractory grade bauxite.

TERTIARY QUARTZ SAND OR CLAY BELOW



Heavy Rail to Deepwater Port Berths at Port Kembla



Port Kembla

### Binjour Bauxite Project

This project comprises 5 Exploration Permits Minerals (“EPMs”), centred on Binjour rural township between Mundubbera and Gayndah, 100 kms west of Bundaberg Port, central QLD, which handles Panamax Ships and has plans to expand substantially.

### Resources at Binjour

The JORC-compliant Resource Estimate (see Qualifying & JORC statements below) as at June 2012 is:

DSO Bauxite Resources			Sieved at 0.26mm										Overburden m	Internal Waste m
Resource category	Tonnes millions	Bauxite Thickness	Al <sub>2</sub> O <sub>3</sub> Avl % 143°	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	9.0	3.9 m	38.0	3.8	10.0	43.7	4.5	9.7	22.4	3.6	24.2	59%	8.2 m	0.3 m
Indicated	15.5	5.3 m	39.5	2.6	15.1	44.2	3.1	14.5	23.4	3.7	24.9	62%	9.4 m	0.3 m
<b>TOTAL</b>	<b>24.5</b>	<b>4.8 m</b>	<b>39.0</b>	<b>3.0</b>	<b>12.8</b>	<b>44.1</b>	<b>3.6</b>	<b>12.3</b>	<b>23.1</b>	<b>3.7</b>	<b>24.6</b>	<b>61%</b>	8.9 m	0.3 m

Cut-off grades applied: Minimum 30% available Al<sub>2</sub>O<sub>3</sub>, 2m thickness & 3 data points in 350m search ellipse for each 25m x 25m block. Leach conditions to measure available alumina "Al<sub>2</sub>O<sub>3</sub> Avl" & reactive silica "Rx SiO<sub>2</sub>" is 1g leached in 10ml of 90gpl NaOH at 143 degrees C for 30 mins. "Avl/Rx" ratio is (Al<sub>2</sub>O<sub>3</sub> Avl)/(Rx SiO<sub>2</sub>) and "A/S" ratio is Al<sub>2</sub>O<sub>3</sub>/SiO<sub>2</sub>. Values above 10 are excellent. Tonnage is for bauxite in-situ. Yield is for screening all samples at 0.26mm. The significant tonnages requiring no upgrade will have 100% yield. Estimate excludes very large tonnages of bauxite containing washable silica gel.

The bauxite lies at surface in places but usually has up to 10m of dry red mud overburden (free dig) but minor internal dilution. The bauxite is thick – exceeding 12 metres in thickness in places and averaging approximately 4.5 metres thick. Average strip ratio (W:O) appears to be around 2 tonnes waste to 1 tonne bauxite but the red mud is free diggable and should be cheaply removed and immediately relocated to mined-out pit areas.





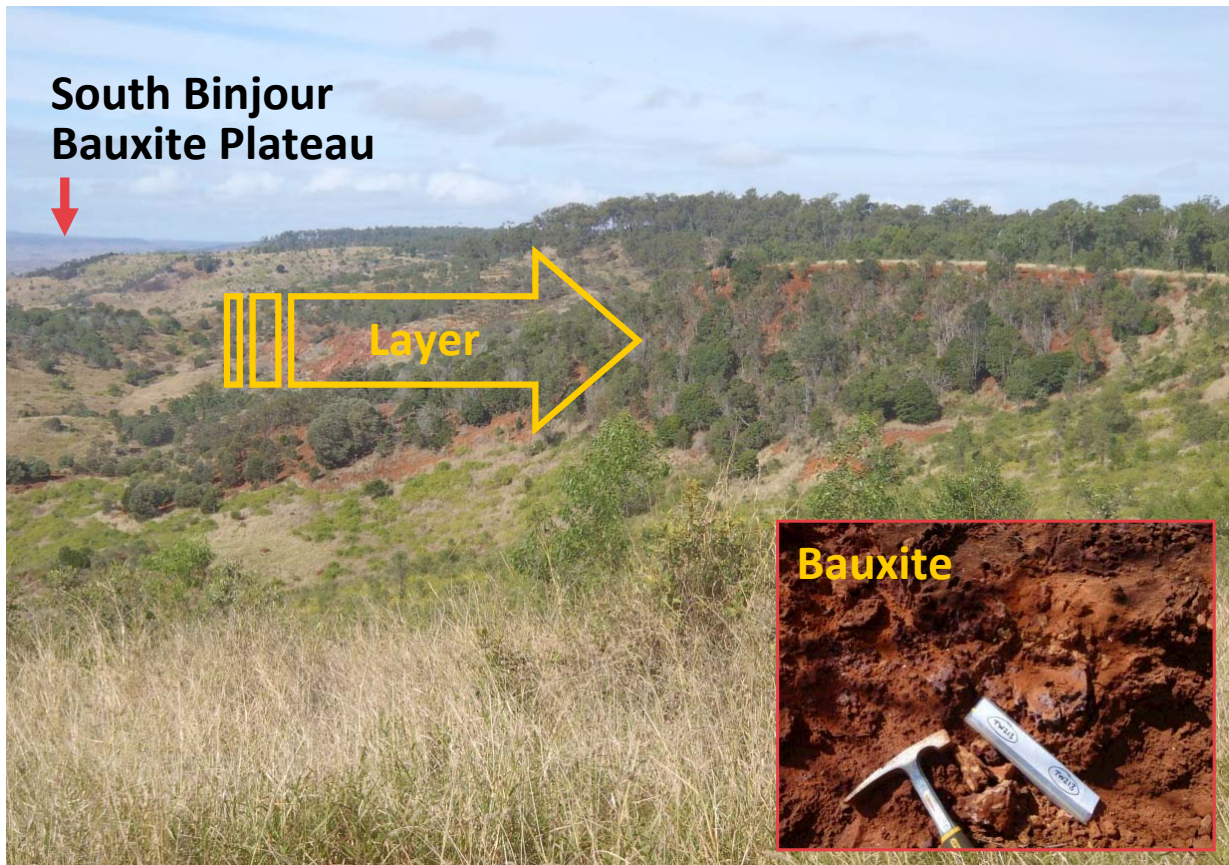
Tests are being done to remove a “silica gel” material (halloysite clay in a hydrous gel) by simple screening and thereby expand resources to a major degree which would greatly reduce the strip ratio and increase tonnage by an order of magnitude. If successful, this will be a “dry & screen” process for those parts affected by the “silica gel”.

Tests to date have been encouraging. Simple dry screening has substantially upgraded some zones of the bauxite layer from being “subgrade” to being “ore grade” bauxite. If these tests can be replicated as a sample preparation method in the independent analytical laboratory, the potential for expanded resources is large.

**Infrastructure status**

The Binjour deposits are approximately 100 kms from the nearest Port at Bundaberg which is being upgraded to allow for bulk exports.

Transport infrastructure options are being assessed as part of an industry-government joint project. Several alternatives are being assessed but still at a preliminary stage.





#### Qualifying statement

The information in this announcement 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 are directors of Australian Bauxite Limited.

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 Resources. Mr Rebek and Mr Levy have

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

- 1 08/05/2012 ASX Inverell JORC Resource Update, 38.0 Million Tonnes
- 2 30/05/2012 ASX Taralga Bauxite Resource Increased 50% to 37.9 Million Tonnes
- 3 15/08/2011 ASX Maiden Guyra Resource, 6.0 Million Tonnes
- 4 29/07/2012 ASX Binjour Maiden Resource, 24.5 Million Tonnes

#### Direct Shipping Bauxite or "Direct Shipping "Ore"

All references in this report to direct shipping bauxite or direct shipping ore (DSO) refers to the company's exploration objective of defining or identifying DSO grade mineralisation.

#### True Width

The true-width of the deposit is not known and will be determined by further resource definition drilling.

#### Definitions

DSO bauxite: Bauxite that can be exported directly with minimal processing.



Project Tenements and Major Infrastructure – 3Qtr 2012