



AUSTRALIAN BAUXITE LIMITED
ASX: ABX

QUARTERLY REPORT & ACTIVITY STATEMENT FOR 3 MONTHS TO 30 SEPTEMBER 2016

About Australian Bauxite Limited

ASX Code ABX Web: www.australianbauxite.com.au

Australian Bauxite Limited (ABx) operates its first bauxite mine in Tasmania and controls the Eastern Australian Bauxite Province. ABx's 27 bauxite tenements in Queensland, New South Wales & Tasmania exceed 2,600 km² and: (1) contain good quality bauxite; (2) are 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 and production rates are increasing as knowledge, technology & expertise grows.

The Company's bauxite is high quality gibbsite trihydrate (THA) bauxite that can be processed into alumina at low temperature and is perfect for cement manufacture and for fertiliser production.

ABx has reported large JORC-compliant Mineral Resources in northern & southern NSW, in central & southern QLD and in northern Tasmania including some of outstandingly high quality.

The Company's first bauxite mine at Bald Hill at Campbell Town in northern Tasmania commenced operations in December 2014 – the first new Australian bauxite mine for more than 35 years !

ABx aspires to develop large bauxite projects in Eastern Australia, which is emerging as a globally significant bauxite province. ABx has created state-significant bauxite development proposals in all 3 states. Its bauxite deposits are favourably located for direct shipping of bauxite to both local and export customers.

ABx endorses best practices on agricultural land, and strives to leave land & environment better than we find it.

We only operate where welcomed.

Directors / Officers

Paul Lennon	Chairman
Ian Levy	CEO & MD
Ken Boundy	Director
Henry Kinstlinger	Secretary
Leon Hawker	Chief Operating Officer
Paul Glover	Logistics & Exploration Manager
Jacob Rebek	Chief Geologist

PRINCIPAL POINTS

Corporate

- Current group available cash is in the order of \$2.4 million. ABx also has lines of credit available for working capital as bauxite shipments increase strongly in 2017. No capital raisings are planned in the foreseeable future.

Operations: Sales & new opportunities continue to grow

- **Sales** of cement and fertiliser grade bauxite continue at profitable prices. Sales in 2016 to date exceed 42,000 tonnes of cement-grade bauxite and 2,085 tonnes of fertiliser grade bauxite
- **Final product stockpile** at the Bald Hill Mine now exceeds 33,000 tonnes of cement grade bauxite for the next two sales
- **ABx's cement grade bauxite customers** have now operated their cement kilns at maximum throughput rates for more than 6 months with zero lost time using ABx bauxite
- **3 new customers** identified by ABx staff in Europe and North America are now testing ABx cement grade bauxite samples. 90 tonne production tests of cement grade bauxite by a new customer are proceeding satisfactorily.
- **All sales to date have been instigated by ABx marketing staff.** ABx and its marketing partner, Rawmin Mining Industries are making joint-offers to ship large tonnages into the Middle East and Europe for up to 5 years. The alliance with Rawmin carries no fees or obligations and the tonnage guarantees from Rawmin's large mines add value by allowing ABx to compete for larger contracts whilst ABx is expanding its own production capacity in Eastern Australia.

Significant resource upgrade

- **ABx's** Fingal Bay bauxite project in northern Tasmania has announced a 5 fold increase to 6.3 million tonnes of cement grade bauxite bringing ABx's total Tasmanian resource base to 14.7 million tonnes and its total for all regions in Eastern Australia to 124 million tonnes ¹.

2nd large shipment locked and loaded in record time

- **ABx's** second shipment comprising approximately 36,000 tonnes of cement grade bauxite was loaded in record time and shipped from Bell Bay port in northern Tasmania from ABx's Bald Hill mine - the first new bauxite project in Australia for more than 35 years !

Bald Hill mine completes assembly of next sale tonnages and completes stage 1 rehabilitation

ABx and contractor Stornoway have blended more than 33,000 tonnes of final product at the Bald Hill bauxite project in northern Tasmania to meet the exact specification of its next two customers. One sale is booked for December and the second sale booked for around year-end is awaiting completion of a 90-tonne bulk test to ensure that ABx bauxite produces cement that meets the highest standards. All test results to date have been exemplary.

The mine's Stage 1 rehabilitation milestone has been achieved on schedule and to a high standard.

Market Summary

Global markets for cement & fertiliser bauxite remain buoyant whilst metallurgical bauxite markets remain oversupplied.

Tenement status

All tenements are in good standing, 100% owned and free of 3rd-party royalties.

¹ See resource & qualifying statements

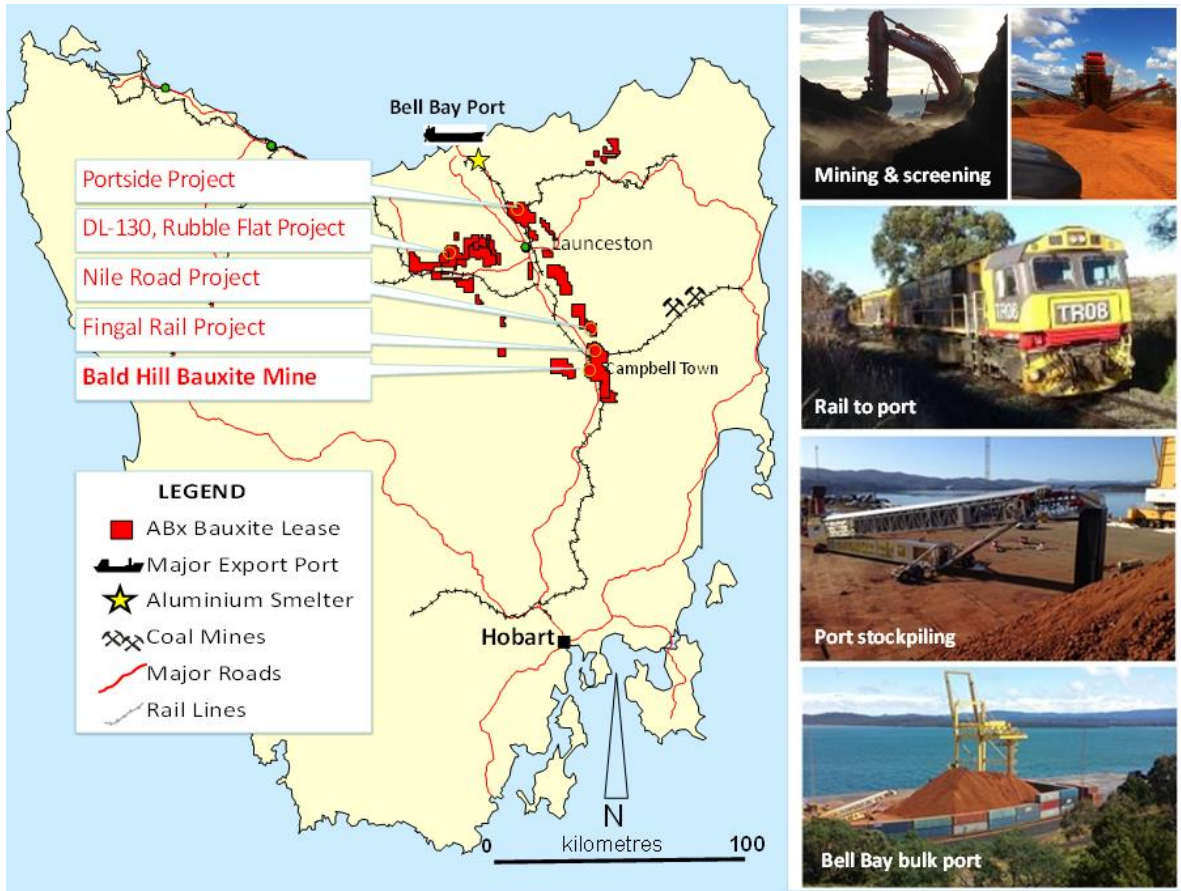


Figure 1: Location of Bald Hill Mine and other bauxite projects in Tasmania & Tasmanian infrastructure

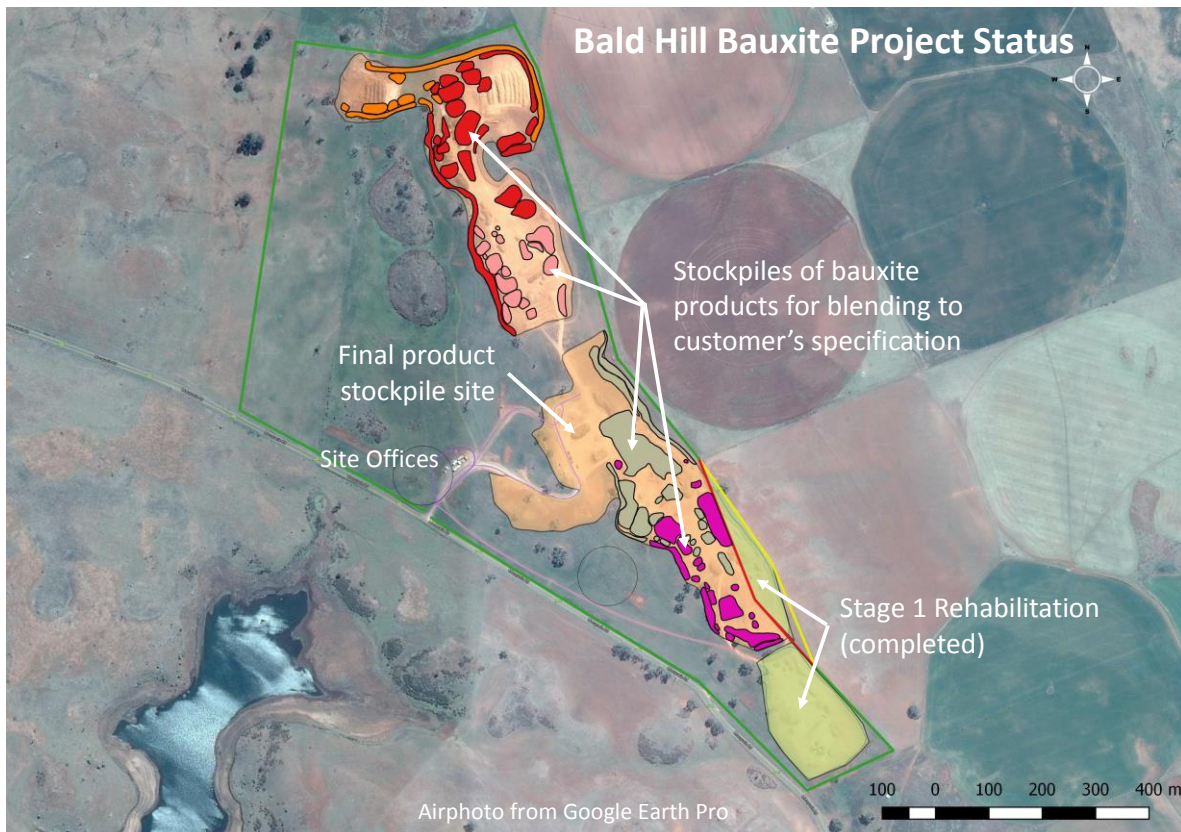


Figure 2: Airphoto of Bald Hill Bauxite Project showing product stockpiles and Stage 1 Rehabilitation area



Operations

35,900 tonnes cement-grade bauxite shipped in August

On 7 August, ABx successfully shipped 35,913 tonnes of cement grade bauxite from Bell Bay Port.

This brought the total tonnes shipped in 2016 year to date to 42,005 tonnes of cement-grade bauxite shipped and 2,085 tonnes of fertiliser grade bauxite for a total of 44,090 tonnes sold.



Figure 3
Loading 35,000 tonnes of cement-grade bauxite at Bell Bay Port

Bell Bay Port can handle ships up to 65,000 tonnes.

Loading is managed by QUBE Ports at more than 10,000 tonnes per day, achieving 20,000 tonnes per day during a recent loading as pictured here.

33,000 tonnes of cement-grade bauxite assembled for next shipment

In addition to the 42,005 tonnes of cement-grade bauxite shipped to date, a further 33,000 tonnes of cement-grade bauxite has been blended to specification from mine stockpiles onto the final product stockpiles at the Bald Hill Bauxite Project. The shipment date is likely around year-end, once the customer has concluded an exhaustive 90-tonne bulk production test to ensure that ABx bauxite produces cement that meets the highest standards.

Validation feedback: All test results to date have been exemplary. ABx's cement grade customers have advised ABx that they have, for the first time, operated their cement kilns at maximum throughput rates for 6 months with zero lost time and lower fuel costs using ABx bauxite. All cement product has met the highest standards for cement. ABx works with its customers to find ways to improve efficiencies.



Figure 4
Blending 33,000 tonnes of cement-grade bauxite at Bald Hill Mine Site

Products are blended to each customer's specifications from more than 30 product stockpiles, each with specific grades and size characteristics, as can be seen in this image

Blended final products are assembled onto the final product stockpile sites ready for transport to Bell Bay Port

Sales & new opportunities continue to grow

In addition to the 42,000 tonnes of cement-grade bauxite shipped in the quarter, a further 3,000 tonnes of fertiliser grade bauxite has subsequently been sold, with the first 1,500 tonnes being already dispatched in October and a second dispatch scheduled for December. ABx will work with fertiliser customers to grow this niche business significantly. The demand for fertiliser is growing strongly as world population and living standards increase.



Figure 5

Loading fertiliser-grade bauxite from the Final Product Stockpile at Bald Hill mine

Fertiliser-grade bauxite is sold directly at the Bald Hill mine

The final product stockpile and access roads are clean-areas to ensure there is no transmission of noxious weeds and plant diseases. All vehicles are washed-down prior to site entry and all contractors must have the required accreditations.

Market development progressing well

3 new customers identified by ABx staff in Europe and North America are testing ABx cement grade bauxite samples.

One 90 tonne production test of cement-grade bauxite by a new customer is proceeding satisfactorily. These tests involve the manufacture of a trial batch of cement using ABx bauxite as one of the main feedstocks into the high temperature cement kiln. A standard concrete slab is poured and tested for strength and other qualities at 3 days, 7 days, 28 days and 62 days. Because these final bulk tests are expensive and disruptive, they are only done by ABx's customers after several phases of industry-standard lab-scale tests have yielded satisfactory results.

ABx's rigorous marketing samples: ABx assembles samples in accordance with ISO standards so that the tests by customers will be done on samples with the same quality bauxite as will be shipped.



Figure 6

Preparing market samples at ABx's laboratory in Tasmania

350 kg of bauxite blended to the customer's specifications is dried, crushed to 10mm and laid out on a grid for sub-sampling, by collecting one scoop full in each grid

3 such samples are collected to test variance.

Alliance with Rawmin Mining Industries: Notwithstanding this strategic alliance with Rawmin, all sales to date have been instigated by ABx marketing staff. ABx commenced negotiations and testwork with cement customers in late 2013 and have kept abreast of the significant changes in the cement industry, especially the transition from coal-fired cement kilns to gas-fired which requires additional bauxite feedstock to supply Al_2O_3 , Fe_2O_3 and other key ingredients in modern late-strength, corrosion-free cement. The strategic alliance with Rawmin has helped target major new markets including cement markets that ABx could not have otherwise expect to deal with at this early stage in the company's development.

ABx and Rawmin are now negotiating to jointly sell large tonnages to a number of customers in the Middle East and Europe under contracts of up to 5 years. The tonnage guarantees from Rawmin's large mines in India allow ABx to compete for these larger contracts whilst ABx is expanding its own production capacity. The alliance with Rawmin carries no fees or obligations but is providing ABx with many benefits from Rawmin's decades of producing bauxite of similar quality to that of ABx's bauxite.



Rehabilitation: Stage 1 Completed

ABx and contractor Stornoway have completed Stage 1 of the rehabilitation at the Bald Hill Bauxite Project on schedule and to a high standard. The rehabilitated areas will be closely monitored so as to increase the company's expertise in effective rehabilitation.

The landholder has been able to return a significant proportion of the land to sheep grazing.



Figure 7

Reinstated land at Pit MB5 and a bauxite product stockpile in foreground

The land surface has been re-contoured to the landform shape agreed with the landholder and the soil has been replaced.

Pre-mining, the soil contained large numbers of stones.

In accordance with ABx's policy of leaving land and environment better than we found it, ABx has employed a potato harvester to gather the stones so as to leave the land more easily farmed.



Figure 8

Early germination on rehabilitated land at Pit MB5

Germination of the pasture-improvement grasses occurred shortly after the completion of seeding.

The seeding was done to the landholder's specifications to restore and hopefully increase the carrying capacity of this sheep-grazing farmland so that ABx can honour its policy to leave land better than we found it.

In Tasmania, Spring will be the main season for rehabilitation



Pit MB6 pre-rehabilitation



Pit MB6 reshaped & topsoil



Pit MB6 ready for de-stoning & seeding



Temporary fencing off MB6 rehabilitation



Stone windrower to heap-up stones



Rockpicker to remove stones from soil



Stones removed from topsoil



Seeding the rehabilitated land at MB6

Figure 9: photographic record of rehabilitation processes, with Pit MB6 as the case study



Exploration

Significant Resource Increase at Fingal Rail Bauxite Project to 6 million tonnes

ABx has announced a significant increase in the cement-grade bauxite resources at the Fingal Rail project located 14kms north of Bald Hill Bauxite Mine (see ASX release dated 25 August 2016).

- Cement-grade bauxite resources for the Fingal Rail Bauxite Project totalled 6.3 million tonnes¹ which is a 5-fold increase compared with its maiden resource estimate of 1.18 million tonnes
- Fingal Rail is considered the most likely second mine for ABx and would be operated by the same operating team that is working on the Bald Hill Mine
- When long-term sale contracts are finalised, ABx will expedite development of Fingal Rail which holds substantial tonnages of cement-grade bauxite and is located immediately adjacent to the rail line (see Figures 10 & 11 below)
- 90% of Fingal Rail resources meet saleable grade in its raw state but it is anticipated that most of the bauxite production from Fingal Rail Bauxite Project will be dry-screened into a range of quality-assured product types to suit the specific requirements of each customer
- Total Tasmanian bauxite resources now exceed 14.7 million tonnes (an increase of 33%)¹
- The upgrade to Fingal Rail bauxite resources increase ABx’s total resource base for all regions in Eastern Australia to 124 million tonnes, of which 14.7 million tonnes are in Tasmania¹

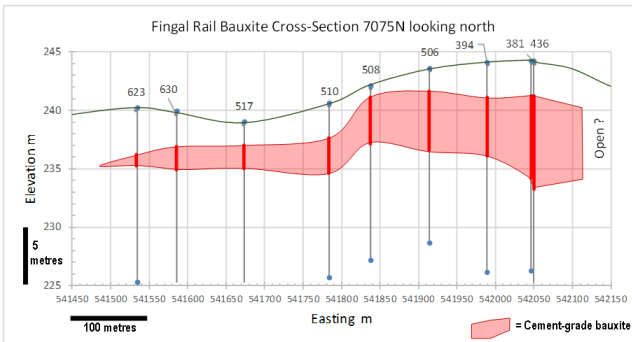


Figure 10 (above)
Fingal Rail cross section at 7075N looking north

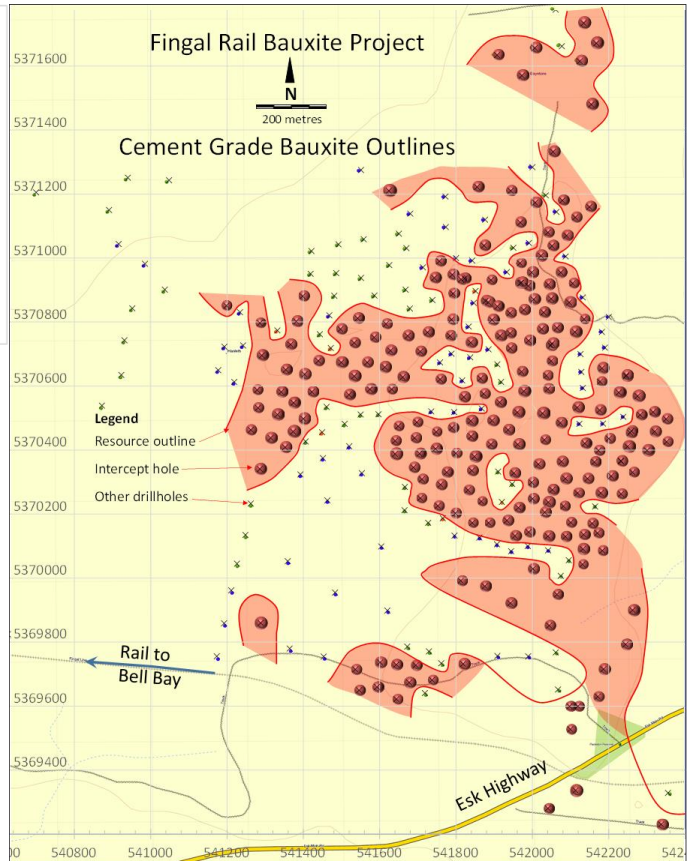


Figure 11 (right)
Fingal Rail drilling, resource outlines & transport infrastructure

For further information please contact:

Ian Levy, CEO and MD
Australian Bauxite Limited

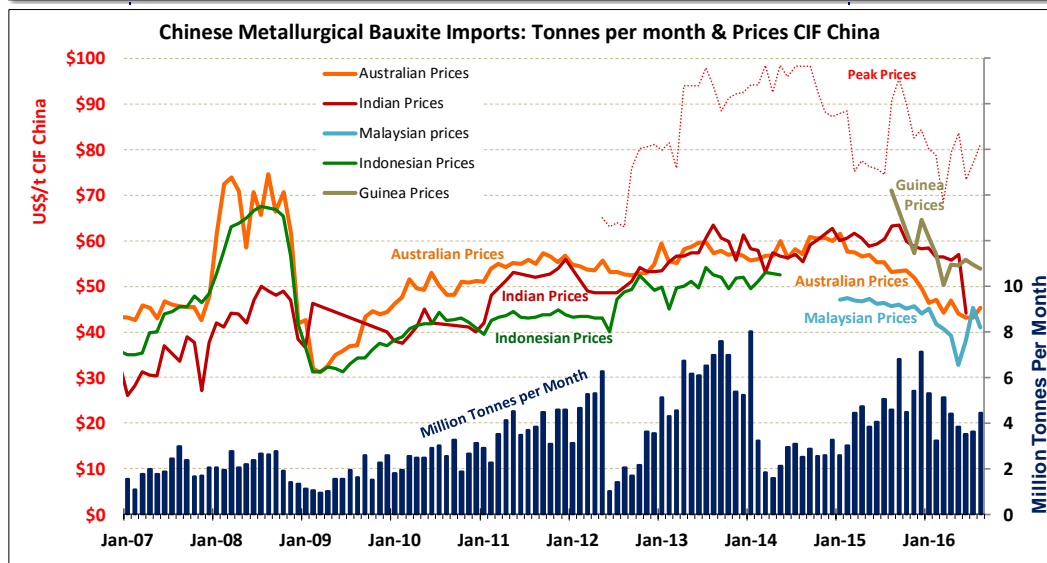
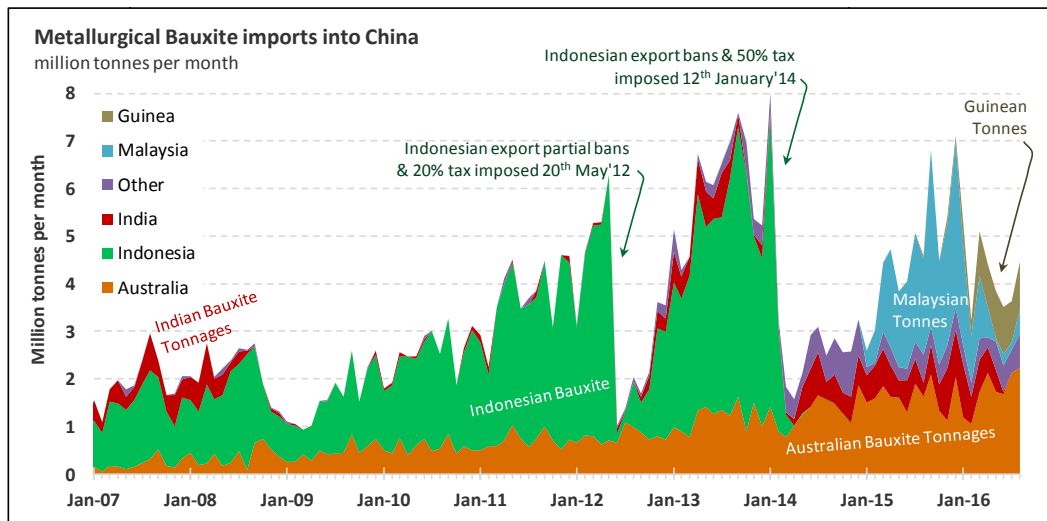
Telephone: +61 (0) 2 9251 7177
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¹ See resource & qualifying statements



Chinese Metallurgical Bauxite Market to 31 August 2016 May Have Bottomed?

- August tonnages of 4.46Mt are 23% higher than July but still lower than China’s monthly consumption rate.
- Malaysian tonnages jumped 240% to 0.5Mt and is still a threat to dump large tonnages into a weak market again
- Guinean Bauxite keeps flooding into China, breaking through 1.0Mt at a very low US\$53.84/t CIF price
- Indian Bauxite supply ceased as Chinese refineries buy Guinean bauxite instead
- Australian bauxite is dominating at 2.24Mt or 50% of the total, mainly from Rio’s Weipa and Gove mines but also a trial shipment by Alcoa from its WA mines.
- Average metallurgical bauxite import price increased slightly but is still weak at US\$49.04 per tonne CIF China.



CEMENT GRADE BAUXITE DEMAND IS GROWING

When cement kilns convert from coal to gas fuel, they must also replace the supply of Al₂O₃ and some Fe₂O₃ that coal ash previously supplied. ABx can now provide both Al₂O₃ and Fe₂O₃ in a tailor-made single bauxite product which processes superbly through the cement kilns and makes corrosion-resistant cement with high late strength, stops kiln blockages, reduces fuel consumption and saves wear on the kiln.

Medium-Term Marketing Strategy

Until metallurgical bauxite markets stabilise, ABx will focus on sales of Cement-Grade, Fertiliser-Grade and other non-metallurgical bauxite markets, with an emphasis on customers that require strict Quality Control and assured technical specifications. Overall, the demand for bauxite cement is growing world-wide – as is the demand for fertiliser-grade bauxite as demand for fertiliser grows in all agricultural areas across Australia and internationally.



ABx Business Strategy

ABx will continue monitoring markets and plans to enter the metallurgical bauxite market when bauxite prices increase to profitable levels, especially when northern ports are closed by wet seasons.

In the meantime, ABx will grow its business by supplying cement-grade bauxite for making high specification cement and supplying fertiliser-grade bauxite for making single superphosphate fertiliser.

ABx is accelerating the development of TasTech technology which allows ABx to separate Tasmanian bauxite into 3 product-types at good tonnages all year round, namely:

1. high grade metallurgical-grade gibbsite bauxite exceeding 45% Al₂O₃ for the aluminium industry
2. cement-grade bauxite for the production of cement
3. fertiliser-grade and other bauxite-types.

Resource Statement, Definitions and Qualifying 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 1: ABx JORC Compliant Resource Estimates

Region	Resource Category	Million Tonnes	Thickness (m)	Al ₂ O ₃ %	SiO ₂ %	A/S ratio	Fe ₂ O ₃ %	TiO ₂ %	LOI %	Al ₂ O ₃ Avl @ 143°C %	Rx SiO ₂ %	Avl/Rx ratio	% Lab Yield	O'Burden (m)	Int.Waste (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	Inferred	9.0	3.9	43.7	4.5	10	22.4	3.6	24.2	38.0	3.8	10	59	8.2	0.3
	DSO Indicated	15.5	5.3	44.2	3.1	15	23.4	3.7	24.9	39.5	2.6	15	62	9.4	0.3
	Total	24.5	4.8	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* ⁵	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		124.6													

* 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.

- Index:**
- 1 Maiden Tasmania Mineral Resource, 5.7 million tonnes announced on 08/11/2012
 - 2 Binjour Mineral Resource, 24.5 million tonnes announced on 29/06/2012
 - 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 declared to 25/08/2016 total 124.6 million tonnes.**



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.

Tenement information required under LR 5.3.3

Tenement No.	Location
New South Wales	
EL 6997	Inverell
EL 7361	Guyra
EL 7597	Merriwa - 2
EL 7269	Windellama
EL 8370	Penrose Forest
EL 7357	Taralga
EL 7681	Taralga Extension
EL 8440	New Stannifer
Queensland	
EPM 17790	Hampton
EPM 17830	Haden
EPM 17831	Hillgrove
EPM 18014	Binjour
EPM 18772	Binjour Extension
ML 80126	Toondoon ML
EPM 25146	Toondoon EPM
EPM 19390	Brovinia
EPM 19427	Brovinia 2

Tasmania	
EL 4/2010	Evandale
EL 6/2010	Cleveland
EL 7/2010	Conara
EL 9/2010	Deloraine
EL 37/2010	Westbury
EL 3/2012	Ross
EL 12/2012	Scottsdale
EL 16/2012	Reedy Marsh
ML 1961 P/M	Bald Hill Bauxite
EL 18/2014	Prosser's Road

Note:

During the quarter, three tenements were disposed

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

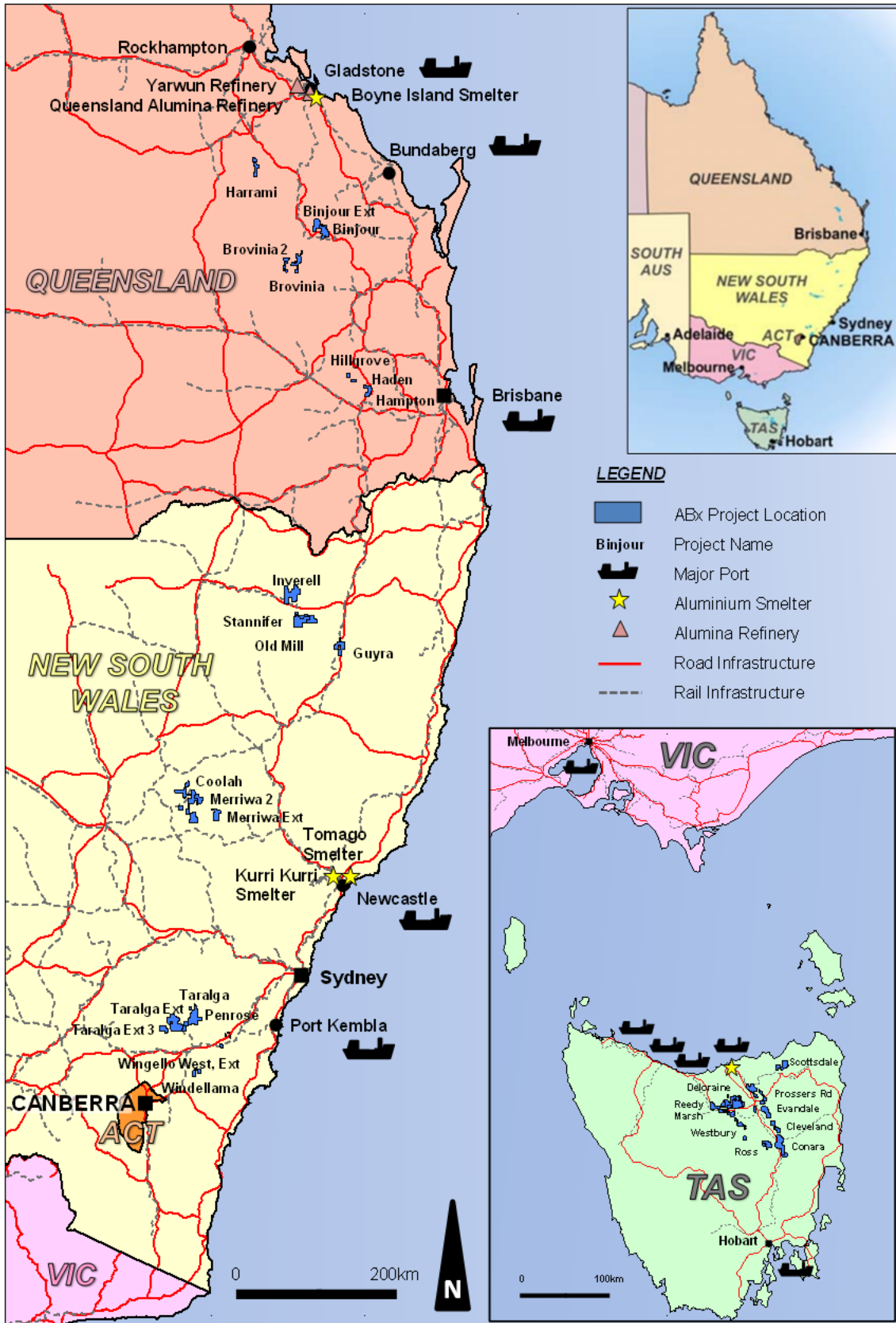


Figure 12: ABx Project Tenements and Major Infrastructure

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 2016

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	2,347	2,581
1.2 Payments for		
(a) exploration & evaluation	(533)	(925)
(b) development	-	-
(c) production	(347)	(530)
(d) staff costs	(261)	(713)
(e) administration and corporate costs	(84)	(186)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	15	30
1.5 Interest and other costs of finance paid	(20)	(34)
1.6 Income taxes paid	-	-
1.7 Research and development refunds	1,257	1,257
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	2,374	1,480

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	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	37	263
3.2	Proceeds from issue of convertible notes	-	-
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	-	250
3.6	Repayment of borrowings	(350)	(761)
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	(313)	(248)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	667	1,496
4.2	Net cash from / (used in) operating activities (item 1.9 above)	2,374	1,480
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(313)	(248)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	2,728	2,728

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	110	12
5.2 Call deposits	1,963	-
5.3 Bank overdrafts	-	-
5.4 Other (secured bank deposits)	655	655
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,728	667

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	Nil
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	Nil
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

N/A

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	Nil
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	Nil
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

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	-
9.2 Development	-
9.3 Production	300
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	390

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 25787	Exploration License	100%	0%
	EL 8130	Exploration License	100%	0%
	EL 7858	Exploration License	100%	0%
10.2 Interests in mining tenements and petroleum tenements acquired or increased	N/A	Exploration License	N/A	N/A

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:
(Director/Company secretary)

Date: 26 October 2016

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.