



ASX : ABZ

ASX ANNOUNCEMENT 28 October 2010

CEO Presentation at Mining 2010 Conference

In accordance with the requirements of Listing Rule 3.1 we submit the attached material being presented this morning at the Mining 2010 Conference being held in Brisbane QLD.

Mr Ian Levy, CEO is making the presentation.

About Australian Bauxite Limited: ASX Code ABZ

Australian Bauxite Limited (ABx) holds the core of the newly discovered Eastern Australian Bauxite Province. Its 32 bauxite tenements in Queensland, NSW and Tasmania covering 7,500 km² 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. At the company's first drilling prospect in Inverell, northern NSW, an interim resource of 35 million tonnes has been reported from drilling 15% to 20% of the area prospective for bauxite and a maiden resource of 5.4 million tonnes of bauxite has been reported for the Taralga project. Australian Bauxite Limited aspires to identify bauxite resources in excess of 200 million tonnes in 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. Drilling of the ABx bauxite discoveries in Tasmania has only recently commenced but bauxite is confirmed to extend over relatively large areas.

For further information please contact

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AUSTRALIAN **BAUXITE** LIMITED

27 October 2010

“Better Bauxite”

Bauxite is the ore for aluminium and alumina

ASX Code “ABZ”

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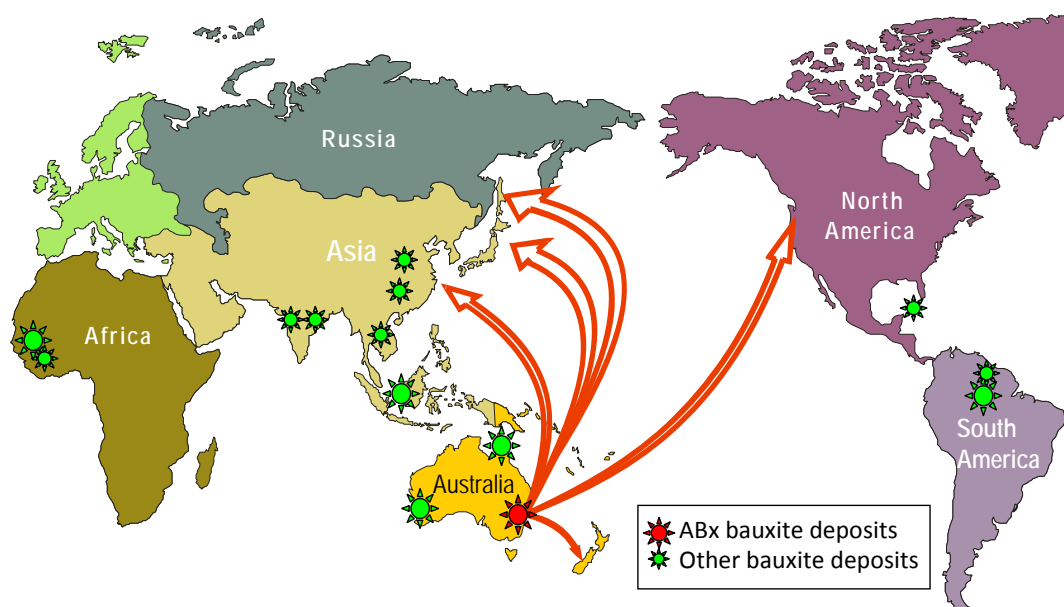
Ian Levy, CEO

Mob: 0407 189 122

E: ilevy@australianbauxite.com.au

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Mission 1 Sell bauxite products to Asia-Pacific especially China



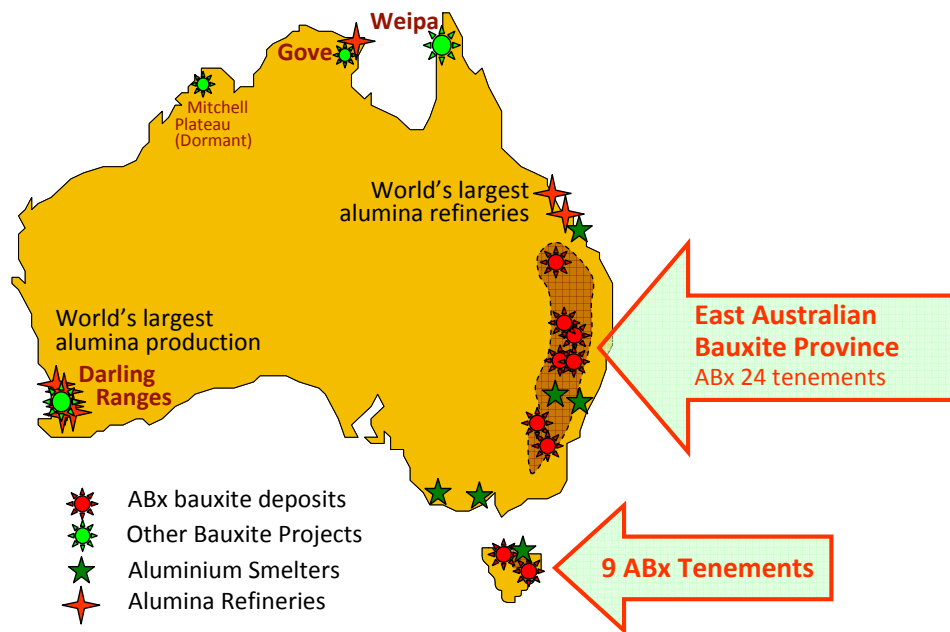
Australia & Indonesia supply China

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AUSTRALIAN **BAUXITE** LIMITED

Mission 2 Sell bauxite products to Australia's large Aluminium Industry



No new bauxite mines in 30 years.

TIME TO EXPAND



AUSTRALIAN **BAUXITE** LIMITED

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 from 15% to 20% of the known bauxite deposits on Exploration Lease EL 6997 in northern NSW and 5.4 million tonnes of bauxite at Taralga from less than 10% of the known bauxite deposits 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.



AUSTRALIAN **BAUXITE** LIMITED

Company Overview

- 33 tenements 7,600 km² in QLD, NSW & Tas
- 980 drillholes totalling 10,100 metres
- Exploration Target 200Mt to 300Mt
- Bauxite Ore typically high quality
- No restrictions on bauxite exports
- Peers blocked by socio-environment
- 99.1m shares @ 51 cents = A\$50m market cap
- Cash at 20 October = A\$9.4 million
Annual expenditure = A\$3.6 million

WHY INVEST?

- 100% owned
- Drilling fast
- 200Mt is **big**
- Premium
- Can export
- ABx has many projects
- Undervalued
- 3 years funded

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AUSTRALIAN **BAUXITE** LIMITED

Rapidly Growing Resource Base & Discoveries

- **Inverell** Nth NSW: 64% increase to 35Mt bauxite resource announced 2 September
- **Taralga** Sth NSW: 5.4Mt maiden bauxite resource announced 16 September & more bauxite found since
- Both from less than 20% of known deposits in area
- Bauxite Ore typically high quality: Better than WA bauxite
High alumina 40%-50% Al₂O₃ & Low silica 1.5%-4% SiO₂
Best Al-mineral, Gibbsite (alumina-trihydrate "THA")
- **Binjour** Central QLD: High Grade Bauxite Discovered mid 2010.
- **Tasmania** drilling commenced 14 October
- 4 large new tenements have secured all new discoveries

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AUSTRALIAN **BAUXITE** LIMITED

Corporate Structure

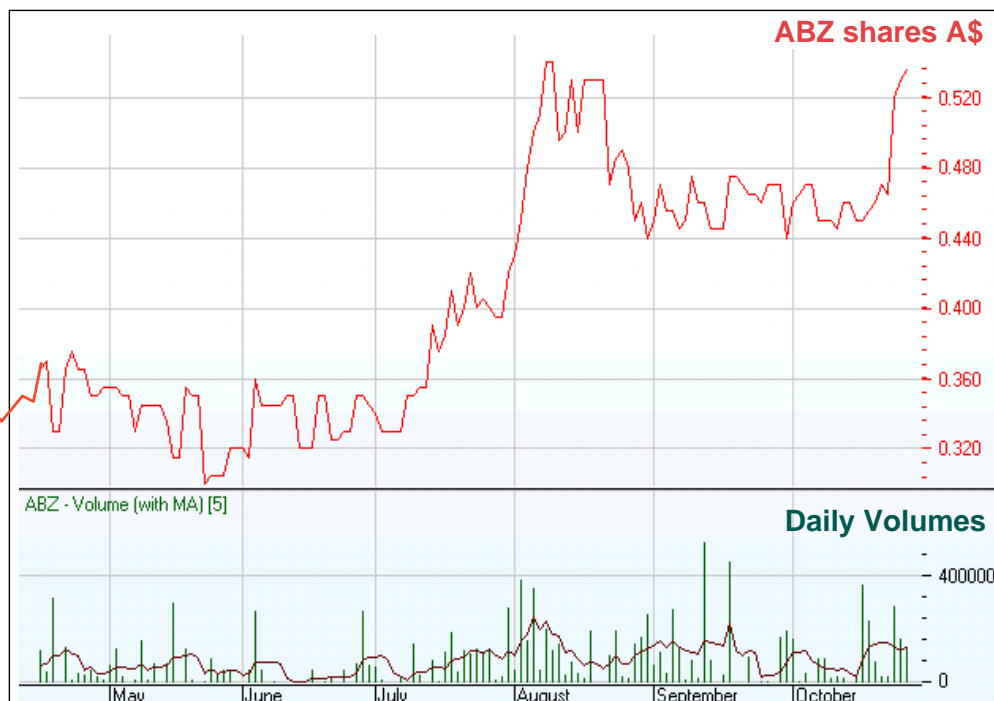
- Shares 99.1 million
- Shareholders 640
 - Hudson Resources (founder) 55.6m (56.1%) escrowed to Dec 2011
 - State One 6.0m (6.1%)

Management

- Directors P Meers, I Levy, J Rebek, V Tan, W Huang
Secretary: H Kinstlinger
- Expertise Jacob Rebek – ex CRA (Rio) Chief Geologist
Discovered Century Zinc 1993
& Eastern Australian Bauxite Province 2006-09

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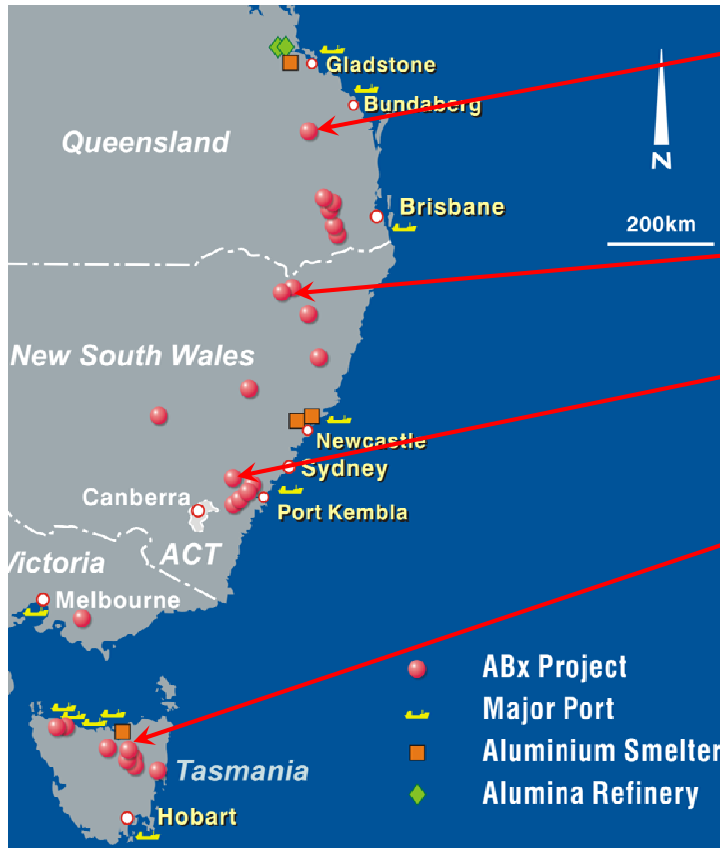
Share Performance: ABZ was 10th top performing IPO of 2009



ABZ IPO @ A\$0.20 24 Dec 2009

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Rapidly Growing Resource Base & Discoveries



Binjour : high grade, concealed bauxite drilled mid 2010. New lease covers the extensions

Inverell : 35 million tonnes, 5.3m thick bauxite

Taralga : 5.4Mt maiden resource, 4.5m thick bauxite, finding more

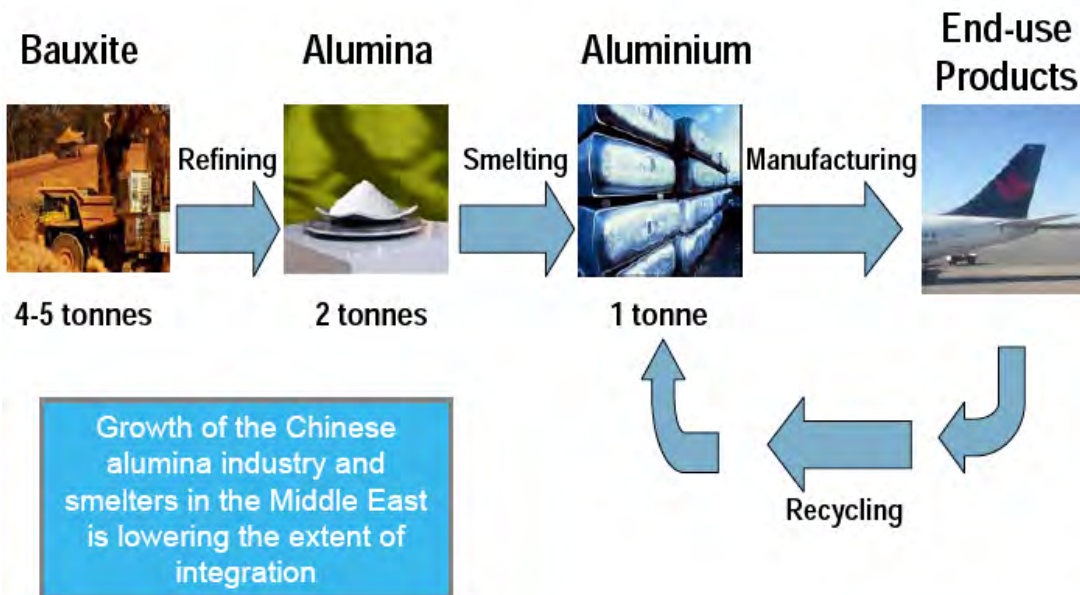
Tasmania : drilling in progress – bauxite being encountered



AUSTRALIAN **BAUXITE** LIMITED

Market Fundamentals

The aluminium cycle



Source: ALUMINA LIMITED



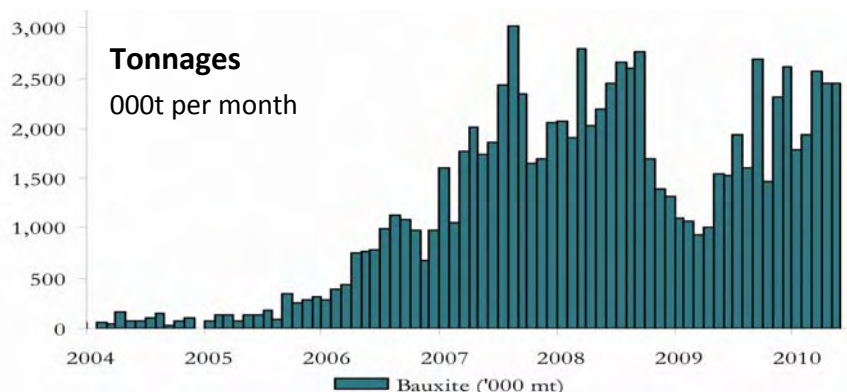
AUSTRALIAN **BAUXITE** LIMITED

Market Dynamics

- Aluminium demand rising strongly – the most modern metal
- China is the largest producer of alumina but many Chinese refineries rely on bauxite imports from Indonesia-Australia
- Indonesia may curtail bauxite exports, so China, Russia & India need new bauxite provinces to open. **Australia will act.**
- Chinese bauxite import price sets a market price (like iron ore)
- Bauxite prices have risen but **MAIN PRICE RISE IS YET TO COME**
- Gibbsite bauxite is cheapest to refine – lowest temperature and lowest reagent cost – **IN SHORTEST SUPPLY**
- Companies from China, Europe, Russia, Australia, India & Japan keen to secure Australian bauxite resources.

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China Bauxite Imports & Prices Growing



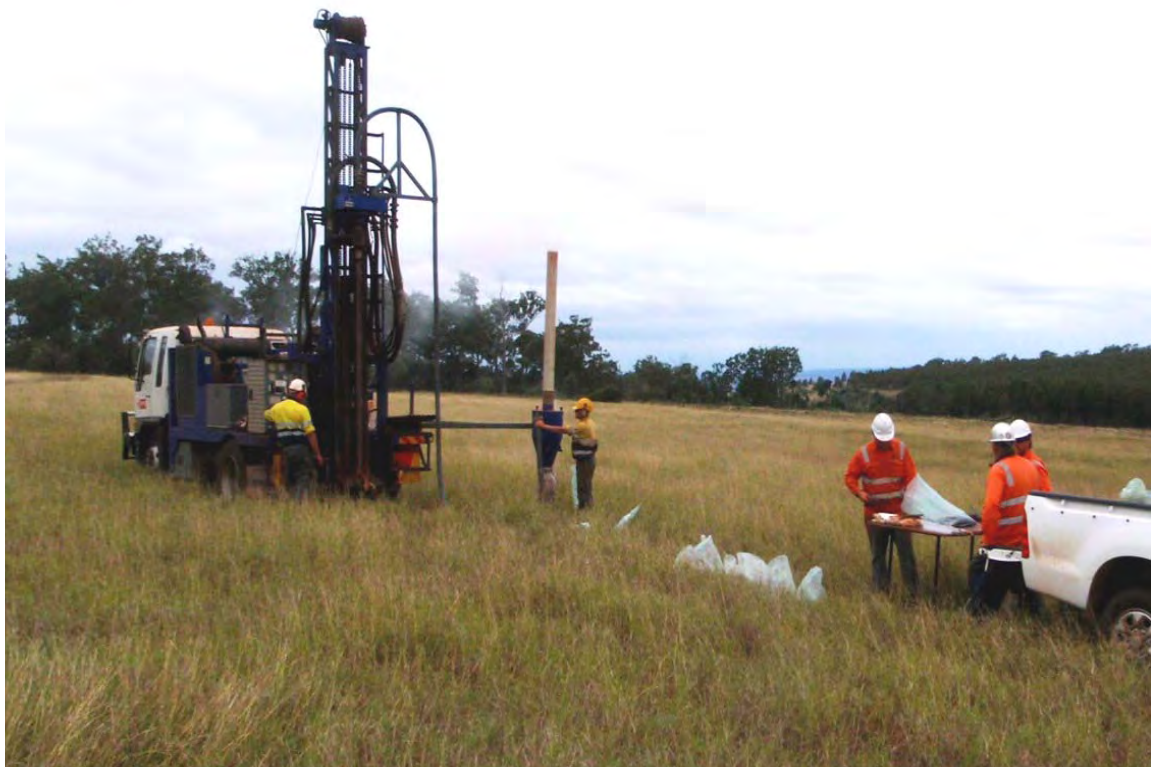
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Strategy: 3 ways to success

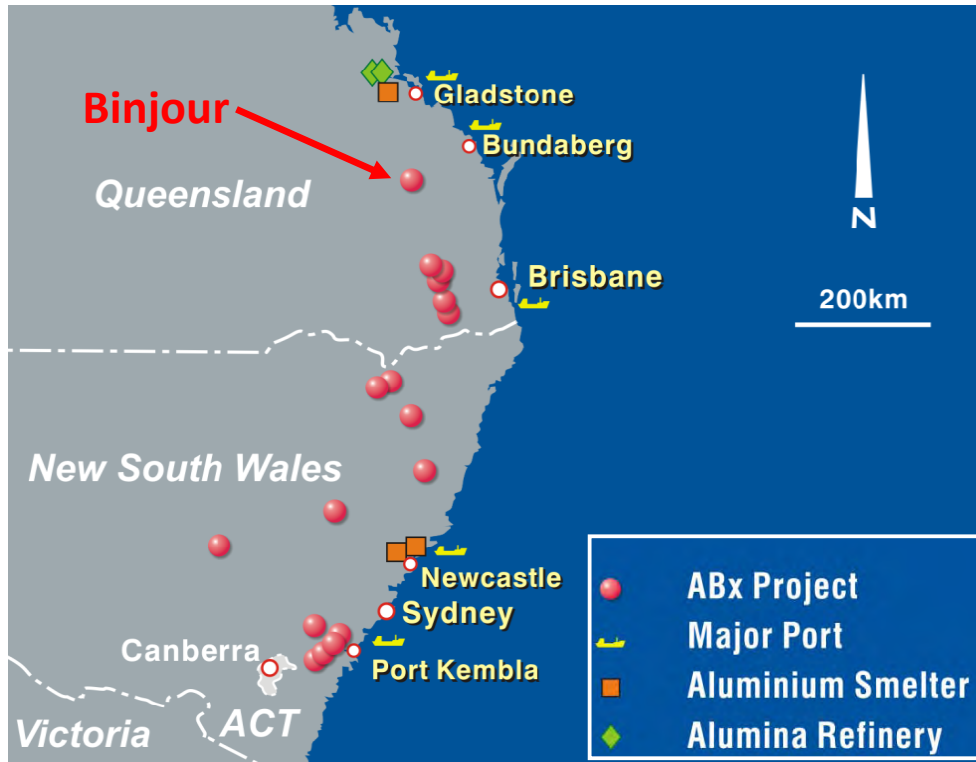
1. Direct-Shipping Bauxite “DSO” early cashflows
 - Near-rail/ports: Southern NSW First? Central QLD?
 - Simple projects: Dig, screen, ship
 - Potential customers/partners identified
2. Premium-Grade Bauxite (higher revenues)
 - Adds value, reduces freight
3. Major Bauxite Project and/or Alumina Refinery
 - Regional targets exceed 200 million tonnes bauxite
 - Major investment – needs strategic alliances
 - Potential partners identified

DISCUSSIONS STARTED OCTOBER

Exploration Ahead of Schedule



Excellent bauxite results at Binjour



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ABx AUSTRALIAN BAUXITE LIMITED

Excellent bauxite results at Binjour

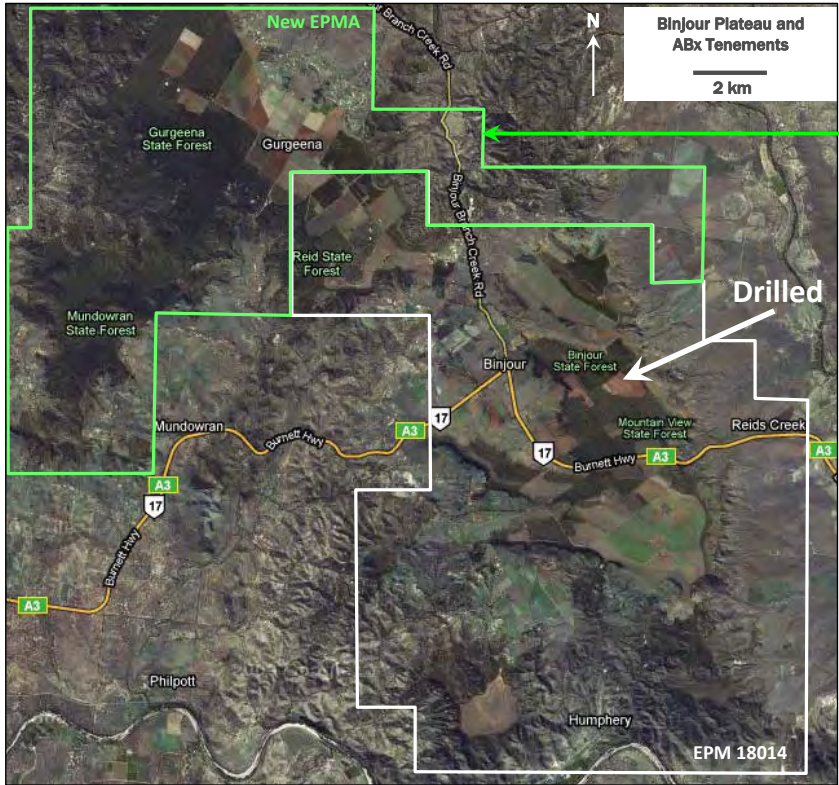
Hole	From m	To m	Metres m	Whole Sample								
				Al ₂ O ₃ avl%	Rx SiO ₂ %	Avl/Sx	Al ₂ O ₃ %	SiO ₂ %	A/S	Fe ₂ O ₃ %	TiO ₂ %	LOI%
BJ006	7	12	5	36.3	3.0	12.0	40.9	3.7	11.0	31.9	3.9	18.8
BJ031	11	17	6	38.5	1.8	21.4	43.5	2.3	19.3	24.8	5.0	23.7
BJ032	9	16	7	37.7	2.6	14.5	42.6	3.1	13.9	25.5	4.8	23.1
BJ033	10	19	9	46.6	2.4	19.1	50.8	2.8	18.4	15.2	3.2	27.5
BJ053	7	10	3	44.5	3.3	13.7	49.5	3.7	13.2	16.1	4.2	26.3
BJ059	3	9	6	29.7	3.0	10.0	36.1	3.6	9.9	34.8	4.5	19.5
BJ111	11	17	6	36.9	2.1	17.3	41.7	2.7	15.7	26.1	5.0	23.8
BJ113	13	17	4	39.2	2.0	19.8	45.0	2.4	18.9	22.5	4.4	24.9
Averages	8.9	1.5	5.8	38.8	2.5	15.6	43.8	3.0	14.7	24.5	4.3	23.6
			Strip Ratio									

Hole	From m	To m	Metres m	Sieved at 0.26mm								
				Al ₂ O ₃ avl%	Rx SiO ₂ %	Avl/Sx	Al ₂ O ₃ %	SiO ₂ %	A/S	Fe ₂ O ₃ %	TiO ₂ %	LOI%
BJ006	7	12	5	38.7	1.2	31.7	41.4	1.5	26.8	29.6	3.3	23.6
BJ031	10	18	8	40.2	2.2	18.7	44.8	2.5	18.2	23.2	3.9	25.0
BJ032	8	16	8	40.7	1.9	21.0	44.5	2.2	20.2	23.6	3.9	25.1
BJ033	10	19	9	50.5	1.2	42.5	53.1	1.3	39.9	13.1	2.8	29.2
BJ053	7	10	3	49.2	1.9	25.9	52.7	2.2	24.1	12.6	3.5	28.6
BJ059	3	9	6	33.7	1.7	20.2	38.4	2.1	18.3	33.0	3.7	22.1
BJ111	11	17	6	43.7	1.6	27.0	46.9	2.0	24.0	20.6	3.8	26.2
BJ113	13	17	4	43.7	0.9	51.4	47.9	1.0	47.1	19.6	3.6	27.2
Averages	8.6	1.4	6.1	42.5	1.6	26.6	46.1	1.9	24.6	22.0	3.6	25.8
			Strip Ratio									

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ABx AUSTRALIAN BAUXITE LIMITED

Binjour Plateau Secured by New Tenement



New tenement secures entire Binjour Plateau

5% of southern target area tested discovered a thick, high quality concealed bauxite layer : surface mapping suggests that the bauxite outcrops in places

Inverell – A Large Deposit Emerging



Consistent 5.6m thick, at surface. Follow-up drilling increased resources by 64%. Nearby Pindaroi has thick bauxite layer



Resource category	Tonnes Millions	Yield % at 0.26mm	Avl Al ₂ O ₃ %	SiO ₂ Rx %	Avl/Srx ratio	Al ₂ O ₃ %	SiO ₂ %	A/S ratio	Fe ₂ O ₃ %	TiO ₂ %	LOI %
Inferred	11.7	60-70%	38.7	4.4	9.3	38.9	5.6	7.3	26.9	4.3	22.2
Indicated	24.2	65-75%	35.6	4.2	9.1	34.7	5.3	6.8	25.1	4.0	21.1
Total	35.9	60-75%	36.6	4.2	9.2	37.1	5.4	6.9	25.7	4.1	21.4

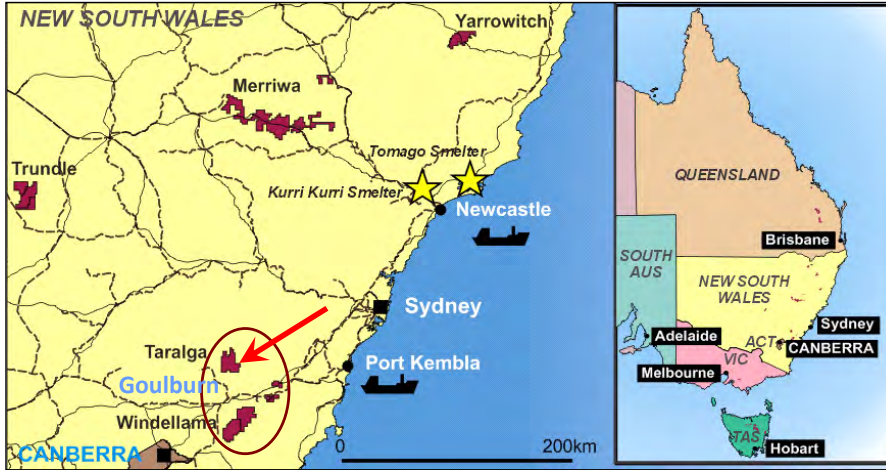
Leach conditions to measure available Avl Al₂O₃ & reactive SiO₂ rx were 1g leached in 10ml of 90gpl NaOH at 143 degrees C for 30 mins.

"Avl/Srx" ratio is (Available Al₂O₃)/(Reactive SiO₂).

"A/S" ratio is (Total Al₂O₃)/(Total SiO₂).

Values above 10 are excellent

Taralga-Goulburn Area Bauxite Projects



Goulburn to Port Kembla is 145kms by rail

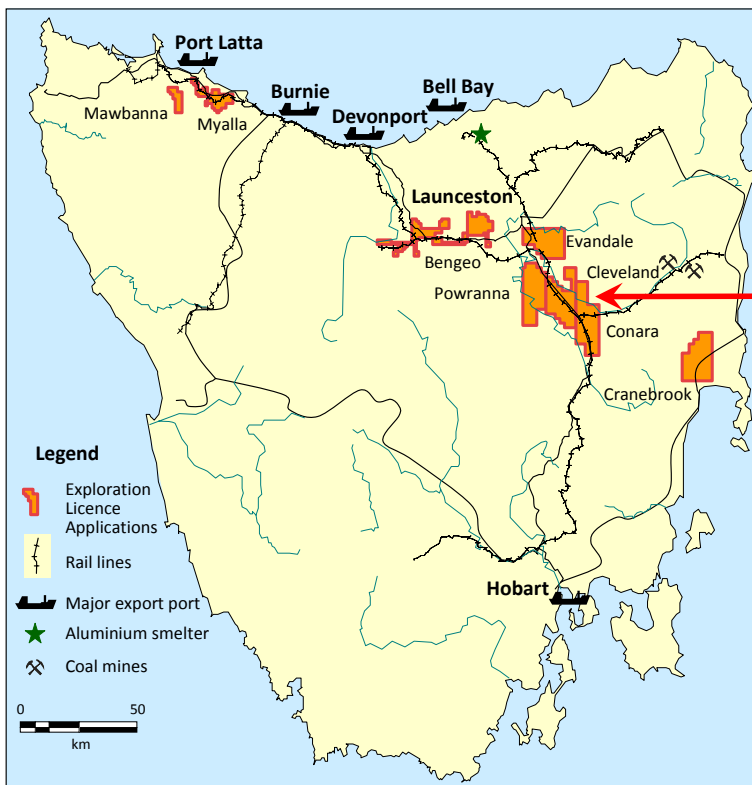
Deposits at surface, near rail, near port

Less than 10% of targets tested to date

Resource category	Tonnes millions	Thickness s m	Avl Al ₂ O ₃ %	SiO ₂ Rx %	Avl/Sr x ratio	Al ₂ O ₃ %	SiO ₂ %	A/S ratio	Fe ₂ O ₃ %	LOI %
Inferred	6.1	4.6	31.7	2.4	13.1	39.8	3.8	10.6	31.6	19.9
Indicated	nil									
Total	6.1	4.6	31.7	2.4	13.1	39.8	3.8	10.6	31.6	19.9

Leach conditions to measure available Avl Al₂O₃ & reactive SiO₂ rx were 1g leached in 10ml of 90gpl NaOH at 143 degrees C for 30 mins. "Avl/Srx" ratio is (Available Al₂O₃)/(Reactive SiO₂). "A/S" ratio is (Total Al₂O₃)/(Total SiO₂). Values above 10 are excellent
 Cut-off grades applied: 2 metres minimum thickness, 32% minimum Al₂O₃ & 8% maximum SiO₂

Tasmania – the New Frontier. DRILLING NOW



Ideal infrastructure setting near rail and ports.

Only exploring on farmland – mainly grazing.

Landholder support is crucial – off to a good start.

New lease application made to secure extension to deposits.

- Legend**
- Exploration Licence Applications
 - Rail lines
 - Major export port
 - Aluminium smelter
 - Coal mines



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

Alumina-Alcoa's Rehabilitation WA



A mined area at Huntly prior to rehabilitation



The same mine pit after rehabilitation



Bauxite at Longkou Port
Shandong China

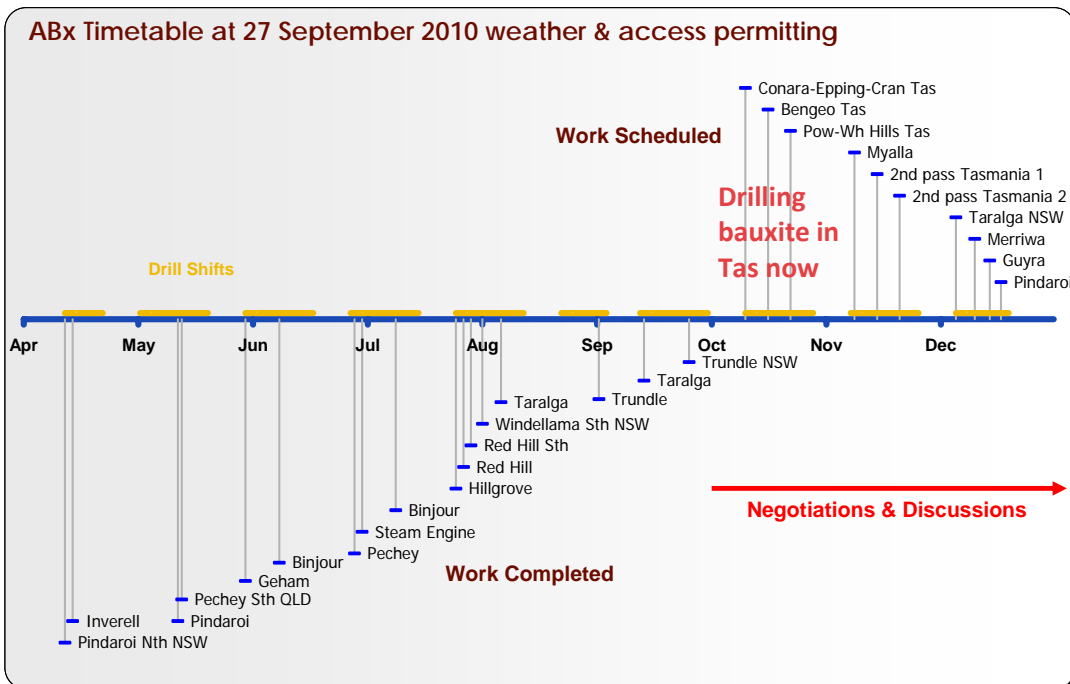
Photo by Clark & Marron

Better Bauxite



AUSTRALIAN **BAUXITE** LIMITED

Work Schedule and Information Flow



ABZ has many projects to choose from.
THIS BAUXITE COMPANY IS OPEN FOR BUSINESS



AUSTRALIAN **BAUXITE** LIMITED



Bauxite Drilling



Better Bauxite

Tel: +61 (0) 2 9251 7177
www.australianbauxite.com.au



Sth QLD Bauxite drilled May - July 2010

Haden EPM17830 in QLD: bauxite outcrop.

Schematic section



Current Tenement Areas

ABZ's tenements control the core of the Eastern Australian Bauxite Province and 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.