

## Bauxite signs MoU with Chinese

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### **BAUXITE Resources has signed a memorandum of understanding with a Chinese alumina producer for the supply of up to 2.8 million tonnes per annum of direct shipping ore bauxite.**

The company plans to finalise an agreement with Shanxi Wusheng Aluminium Company within three months.

The aim of the MoU is for the two companies to work together to achieve the first shipment of ore within 12 months of signing a formal offtake agreement.



Under the MoU, Bauxite will be required to supply up to 2.8Mtpa of bauxite from its Darling Range tenements to Shanxi Wusheng.

As part of the agreement, the Chinese company will provide funding for capital works repayable out of supplies of bauxite, as well as a direct equity investment through a placement of up to 15 million shares in Bauxite.

Bauxite has agreed to refrain from entering into any other offtake deals for three months, giving the two parties time to finalise the agreement.

"The fact that we have secured this MoU in these difficult times with an end-user customer is testament to the quality of our project and a direct result of the extensive networking with Chinese companies that the company has concentrated on this year," Bauxite chairman Luke Atkins said.

The company holds around 7500 square kilometres of tenements in the Darling Ranges, the world's largest producing alumina region.

Bauxite is focusing on defining a resource that will support an initial 2Mtpa DSO bauxite project.

Shares in Bauxite Resources jumped 36% to 24.5c today.