

PACIFIC BAUXITE LIMITED



Corporate Presentation October 2017

ASX Code: PBX

Important Information

Forward Looking Statements

- This presentation has been prepared by Pacific Bauxite Limited (“PBX”). It contains forecasts and forward looking statements which are not a guarantee of future performance and which involve certain risks. Actual results and future outcomes will in all likelihood differ from those outlined herein.
- The presentation should not be construed as an offer or invitation to subscribe for or purchase securities in PBX. Nor is it an inducement to make an offer or an invitation with respect to said securities.
- Forward-looking statements are statements that are not historical facts. Words such as “expect(s)”, “feel(s)”, “believe(s)”, “will”, “may”, “anticipate(s)” and similar expressions are intended to identify forward-looking statements. These statements include, but are not limited to statements regarding future production, resources or reserves and exploration results. All such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include, but are not limited to: (i) those relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, (ii) risks relating to possible variations in reserves, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined, (iii) the potential for delays in exploration or development activities or the completion of feasibility studies, (iv) risks related to commodity price and foreign exchange rate fluctuations, (v) risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities, and (vi) other risks and uncertainties related to the Company’s prospects, properties and business strategy.
- Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and we do not undertake any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events.

Competent Persons Statement

- The information in this report that relates to Exploration Results and Targets is based on information compiled by Mr Brett Smith, B.Sc Hons (Geol), Member AusIMM, Member AIG and an employee and director of Pacific Bauxite Limited. Mr Smith has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is 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 Smith consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

Investment Highlights

- ✓ Focused on bauxite exploration and development
- ✓ Two highly prospective bauxite projects, in the Solomon Islands:
 - ✓ Nendo (50%) – substantial zone of bauxite mineralisation identified with an initial area of 12km by 2km, average depths of +3m (in places up to 6m), with targeted grades of +40% Al₂O₃ and <2.5% reactive silica
 - ✓ South West New Georgia (50%) – initial reconnaissance exploration has identified extensive zones of mineralisation, returning grades up to 55.5% Al₂O₃
- ✓ Strong outlook for bauxite demand, particularly out of China and Asian region
- ✓ Close to China and Asian markets – low shipping costs, quicker delivery
- ✓ Rapid development pathway – supportive government & land owners
- ✓ Exploration focus for H2 CY17 – drilling programs at both projects
- ✓ Short term catalysts – continued exploration results, maiden JORC Resource and move to scoping studies
- ✓ Well funded and substantially undervalued based on the potential scale of both deposits

Bauxite Projects – Solomon Islands

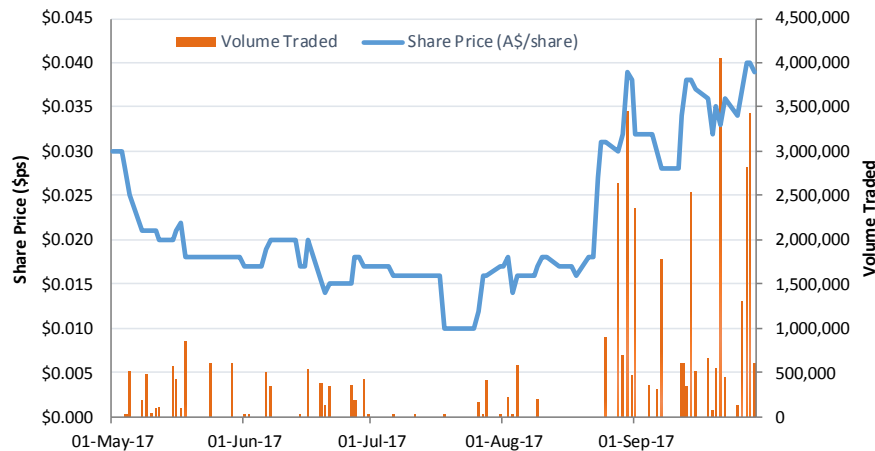


Corporate Overview

Corporate Information

Shares On Issue	288.0m
Options On Issue (av. exercise 8c)	14.75m
Market Capitalisation at 4.1cps	\$11.8m
Cash (as at 30/06/17)	\$0.5m
Capital raising 15/09/17	\$1.9m
52 Week Share Trading Range	1.0-4.8c

Share Price Graph



Board of Directors

John Ciganek	Non-Executive Chairman (+25yrs, Finance, Mining Engineer, BurnVair, Comalco)
Mark Gwynne	Executive Director and CEO (+25yrs, FE Ltd, Cauldron Energy, Senior Mgt & Corporate roles)
Brett Smith	Non-Executive Director (+30yrs, Corazon, Battery Minerals, Geologist)
Pippa Coppin	Non-Executive Director (+10yrs, Law & Finance)

Major Shareholders

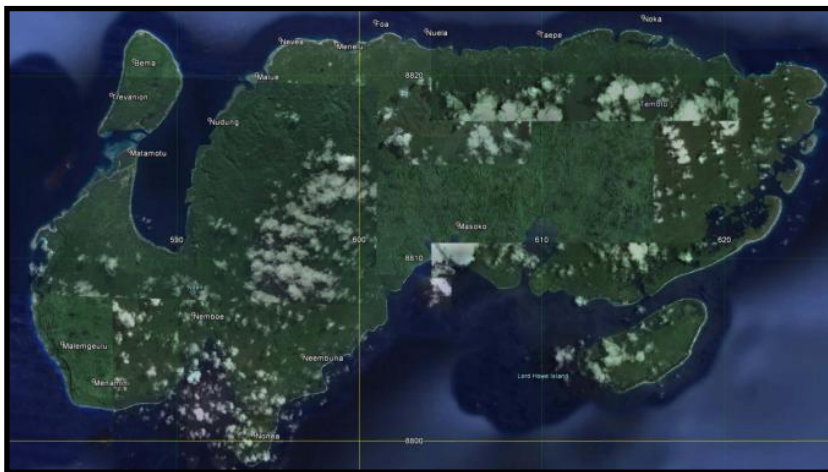
Top 20	41.9%
Scott Dodd & Associates	13.9%
Directors & Management	1.0%

Bauxite Market

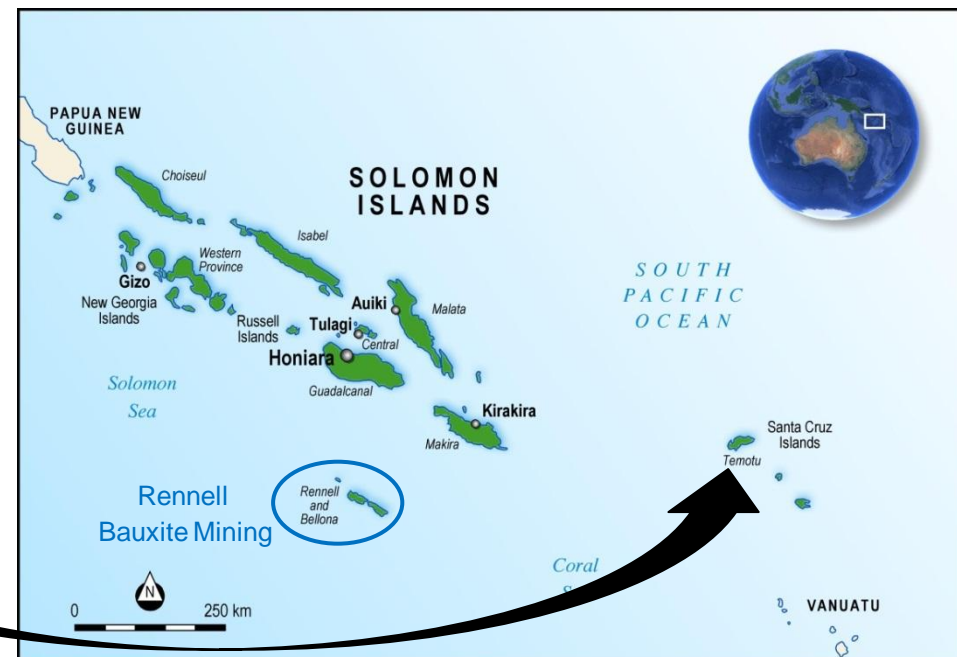
- Globally, existing supply together with planned developments are expected to meet demand to around 2020
 - China plans to build several new alumina refineries with a potential capacity of +9Mtpa by 2019
 - UAE, Indonesia and Laos plans to build new alumina refineries with a potential capacity of +6Mtpa by 2019
- Beyond 2020, new projects will be required to meet forecast demand with a supply deficit of **+25Mt by 2025** and **+50mt by 2030**
- Chinese bauxite demand largely driven by a substantial fall in Chinese reserves and domestic production – this has required a corresponding increase in imports into China
- Chinese domestic bauxite quality has continued to fall and forecast to continue falling over time, as existing high grade operations become depleted
- Shipping costs are a significant factor for China's growing seaborne bauxite needs and will play a key role driving demand for bauxite from the Asia-Pacific region

Nendo Bauxite Project

- DSO bauxite deposits in the Asia Pacific region offer sought-after high quality bauxite – “tropical bauxite”, typically low temperature bauxite, gibbsite rich (e.g., Rennell Island Project, Solomon Islands and Malaysian ores)
- Extremely encouraging exploration results to date – large scale bauxite deposits identified – tested area ~12km x 2km and expanding
- Low operating and capital costs with a simple dig-stockpile and load-ship operation



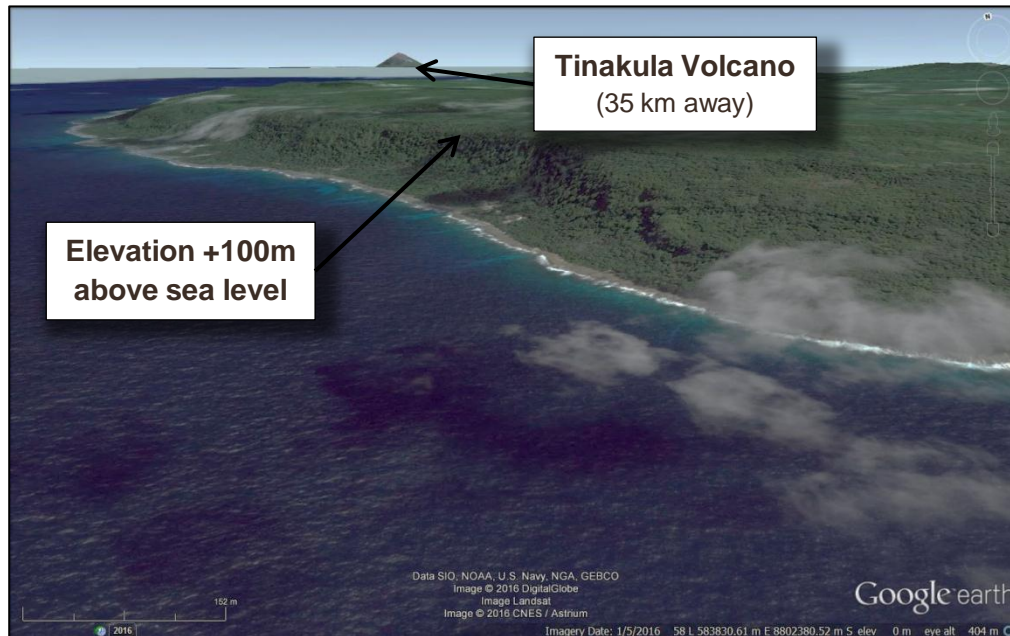
Source: Google Earth



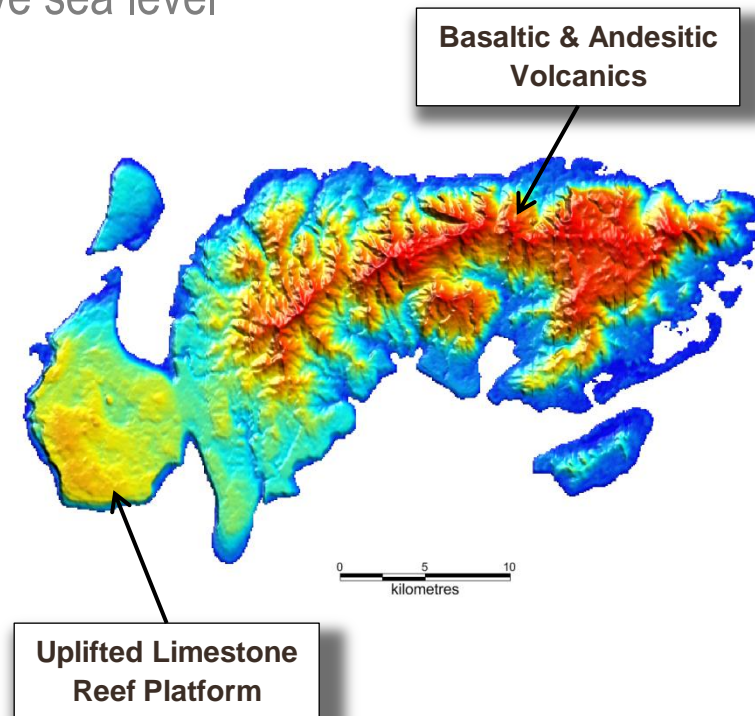
Nendo Bauxite Project – Style of Mineralisation



- Residual gibbsitic soils over ancient limestone reef (karst or carbonate bauxite)
- Karst bauxites occur predominantly above carbonate rocks (limestone or dolomite), where they are formed by residual accumulation of soil/clay layers undergoing a lateritic (chemical and physical) weathering process that is enhanced by the limestone
- Uplifted limestone reef platform – up to 150m above sea level



Source: Google Earth – Western end of Nendo Island

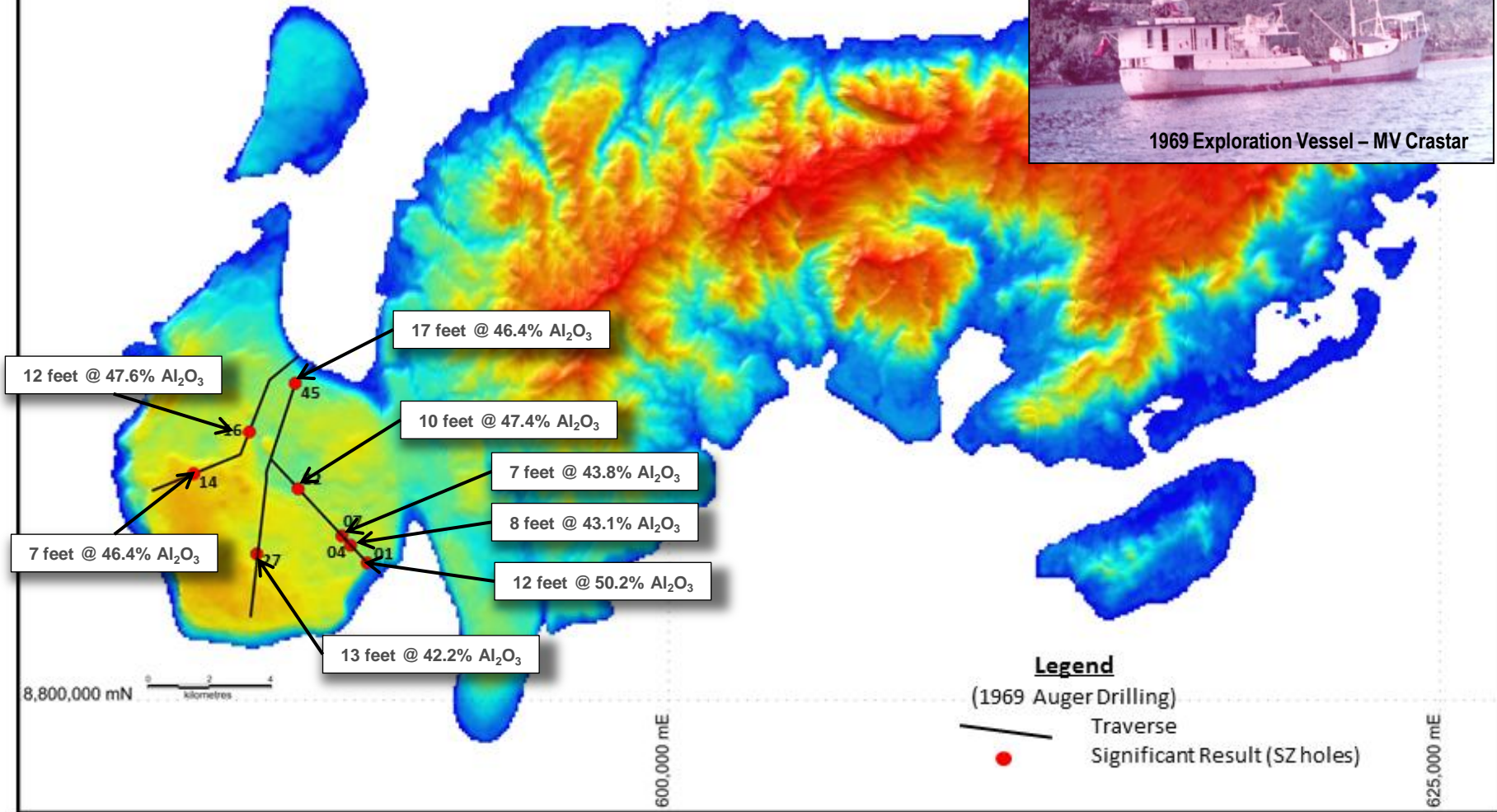


Discovery – 1969 Auger Sampling CRA Exploration

DTM Image of Nendo Island. Showing 1969 auger drilling traverses and reported holes.
(Datum WGS84 Zone 58s)



1969 Exploration Vessel – MV Crastar



Exploration Success – Large DSO Target



Area of Bauxite Minealisation

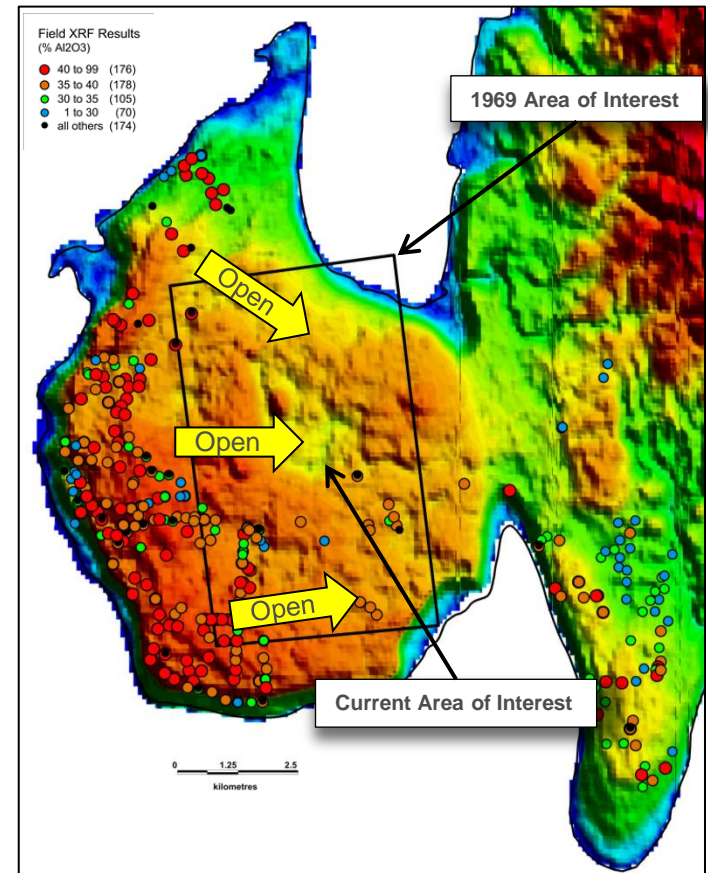
- Initial area of interest is ~12km by 2km
- Less than 1/3rd of prospective area has been tested
- Open to east where bauxite was identified in 1969, with relatively higher Al₂O₃ grades
- Proposed exploration drilling to target high-grade zones for resource definition in Aug-Sep 2017

Depth of Bauxite Deposits

- Av. depths of +3m & in places tested to 6m (max. hand-auger depth)

Grade of Bauxite Targeted

- +40% Al₂O₃ and <2.5% reactive silica



Field XRF results over DTM

Summary of Results to Date

Nendo Bauxite Project – Assay Results

Category & Criteria	Total Al ₂ O ₃ (%)	Total SiO ₂ (%)	Av_Al ₂ O ₃ (%)	rxSiO ₂ (%)
Field XRF Results with <7% SiO ₂	40.28	4.5		
Field XRF Results with <7% SiO ₂ & +40% Al ₂ O ₃	43.35	4.22		
Field XRF Results with <5% SiO ₂	38.91	5.48	30.66	2.90
Field XRF Results with <5% SiO ₂ & +40% Al ₂ O ₃	41.21	4.08	33.34	2.39

“Early auger drilling and field XRF testing provides good early indication of potential”

Australian Bauxite Regions - Summary Grades

Category & Criteria	Total Al ₂ O ₃ (%)	Total SiO ₂ (%)	Av_Al ₂ O ₃ (%)	rxSiO ₂ (%)
Cape York (Weipa) QLD (Beneficiated)	49-55			
Skardon River QLD (DSO)	49-50	12-17	37-40	6-7
Bauxite Hills QLD (DSO)	49.4	13.2		
Huntly-Willowdate WA	33			<1
Worsely WA	32			2-3
Other Darling Range WA	39-42	5	27-32	1.9-4.4
Cape Bougainville WA	36	1.6		
Bald Hill Tasmania	37	9	26.5	8
Bald Hill Tasmania (Beneficiated)	43	4	36	3

Descriptive Terms

Al₂O₃ = Total Alumina

av_Al₂O₃ = Available Alumina

totSiO₂ = SiO₂ = Total Silica

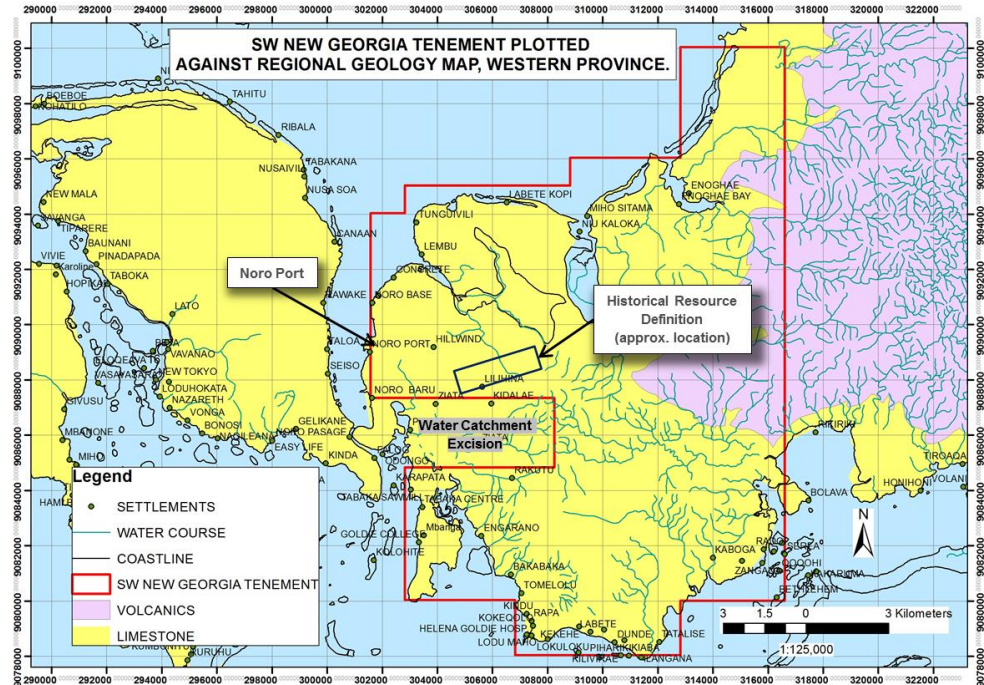
rxSiO₂ = Reactive Silica

CFR* = Cost and Freight (CFR) bauxite price offered to seller for product to Shandong with 10% moisture, as referenced by thebauxiteindex.com on 22nd August, 2016

Source: Collated from open file information

SW New Georgia Bauxite Project

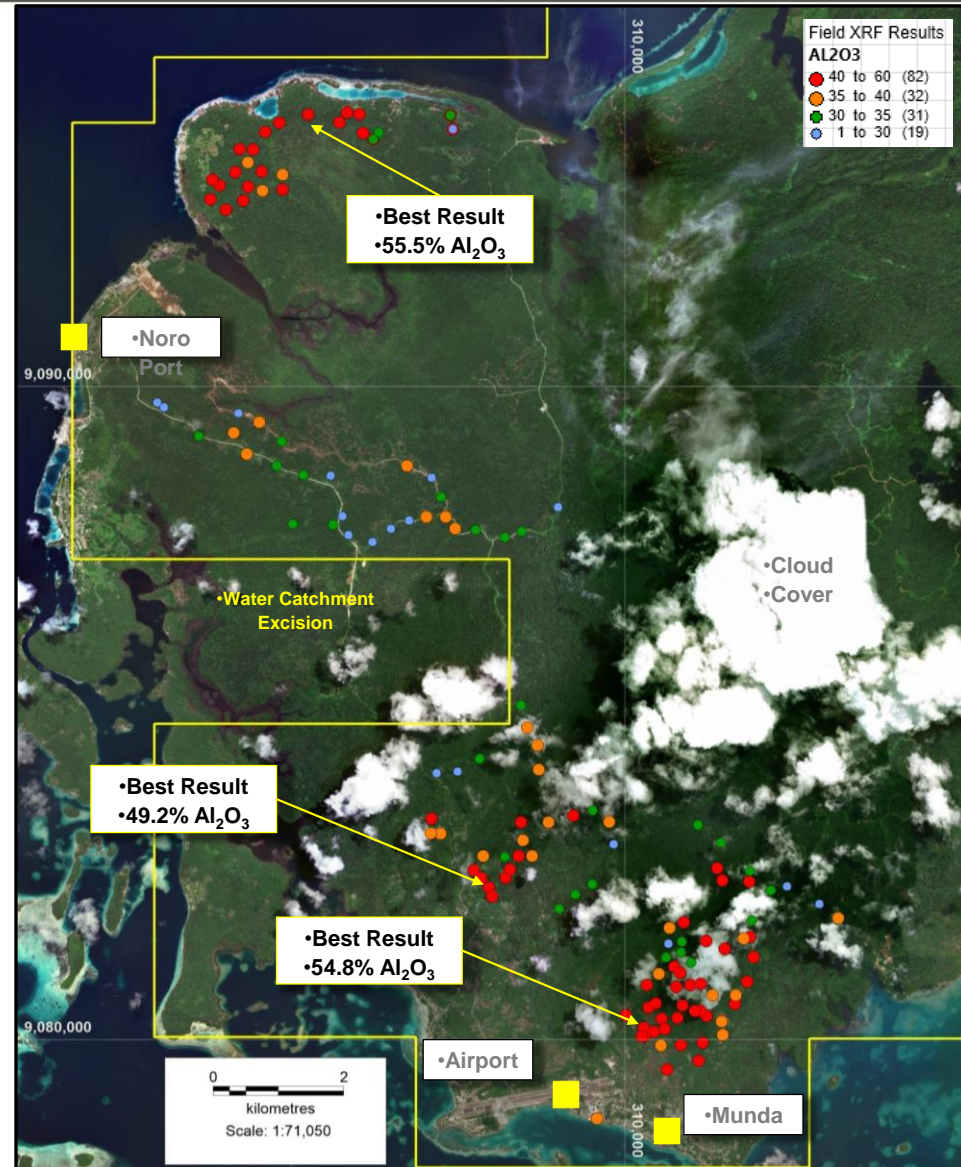
- Bauxite soils situated over uplifted Limestone reef, bounded by volcanics to the east and coastline to the north, south and west
- Historical work (1970's) included several hand-auger drilling and pit sampling programs, focusing on one small area of approximately 3.5km by 1km
- The main historical drilling campaign focused on an area of approximately 3.5km by 1km and included 39 auger holes for 101 samples
- Surface Access Agreements completed with landowners



- Prospecting Licence granted
- Exploration identified substantial tonnages with grades of between **40% and 45% total Al₂O₃** and **5% to 10% total SiO₂**

SW New Georgia Bauxite Project

- Initial reconnaissance exploration program showed extensive zones of mineralisation
- Field XRF returned up to 55.5% Al_2O_3
- Results highlight a significant asset and provides the Company with two quality bauxite projects
- Field work is continuing with full engagement and assistance of traditional landowners
- Additional results and laboratory analysis of samples are expected in the current quarter



SW New Georgia – Infrastructure

Major Regional Hub – Excellent Infrastructure

- Established power, water and 3G mobile coverage
- Sealed airport with twice daily flights from Honiara
- Airport undergoing major works to improve to international standards
- International cargo ship terminal capable of receiving up to Panamax class
- Munda and Noro are serviced by various retail stores, banks, modest hotels and open air markets
- Access between Noro and Munda via a recently upgraded and sealed road
- Licence area crisscrossed with logging tracks



Munda – Noro Road



Noro Port



Noro markets

Immediate Work Program

Nendo

- 2nd phase drilling & sampling – Q4 CY17
- Define Maiden JORC Resource – Q1 CY18
- Scoping Study – Q2 CY18

SW New Georgia

- Maiden drilling & sampling – Q4 CY17
- Report preliminary metallurgical test work – Q4 CY17

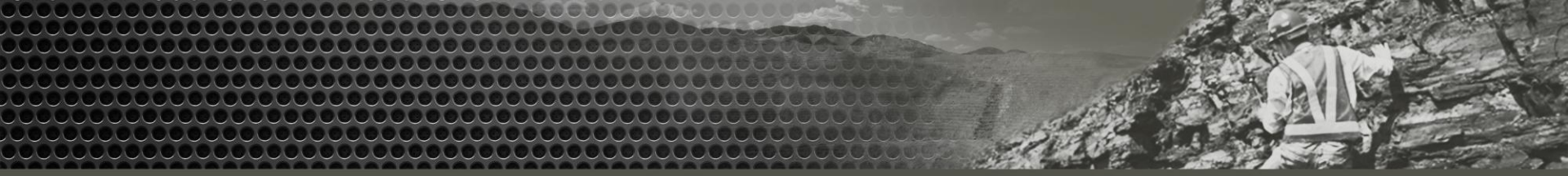
Define **Resource for Nendo** within initial target areas

Commence **1st phase exploration program for SW New Georgia** over initial target areas

Ongoing with **land owner & government consultation for Nendo & SW New Georgia**

Summary

- ✓ Focus on bauxite will deliver a solid platform for value creation
- ✓ Strong demand outlook for bauxite, particularly from China
- ✓ The Company aims to develop DSO-quality bauxite operations with grades of 40%-45% total Al₂O₃ and 5%-10% total SiO₂, for Asia's growing seaborne bauxite market
- ✓ Initial reconnaissance exploration at SW New Georgia has identified extensive zones of mineralisation, returning grades up to 55.5% Al₂O₃
- ✓ These results highlight a significant asset and provides the Company with two quality bauxite projects
- ✓ Running dual projects will present opportunities to leverage from existing work programs, management teams and in-country learnings
- ✓ Short term catalysts – continued exploration results, maiden JORC Resource and move to scoping studies
- ✓ Well funded and substantially undervalued based on the potential scale of both deposits



Background Slides

Board of Directors

Board Member	Background
<p>MARK GWYNNE Executive Director and CEO</p>	<ul style="list-style-type: none"> ▪ Mr Gwynne has 23 years of experience in senior and corporate management of resource companies registered and listed in Australia and the United Kingdom, with operations in Australia, Africa, South America and the Former Soviet Union. ▪ Mr Gwynne has extensive experience in project acquisition and development in precious and base metals and oil and gas and has undertaken extensive capital raising and marketing for several companies. ▪ Mr Gwynne is currently a director of ASX listed FE Limited and Cauldron Energy Limited.
<p>BRETT SMITH, BSc (Hons), MAusIMM, MAIG, MAICD Non-Executive Director</p>	<ul style="list-style-type: none"> • Mr Smith has over 30 years of experience in the mining and exploration industry as a geologist, manager, consultant and director of ASX-listed companies, with experience in Australia, North & South America and Africa. • His broad industry experience is dominated by exploration and resource definition for mining operations. • Mr Smith is currently the Managing Director of Corazon Mining Ltd and Non-Executive Director Battery Minerals Ltd.
<p>PIPPA COPPIN, LLB BSc Non-Executive Director</p>	<ul style="list-style-type: none"> • Ms Coppin is a lawyer based in Perth with more than 10 years of experience in the corporate and resources sector. • Ms Coppin specialises in equity capital raisings, all forms of acquisitions and divestments, governance and corporate compliance. • Ms Coppin graduated from the University of Western Australia in 2004 with a Bachelor of Laws and Science. • Ms Coppin also has a Graduate Diploma of Applied Corporate Governance and a Diploma of Business Studies.
<p>JOHN CIGANEK, Ba. Mining Eng., MBA Non-Executive Chairman</p>	<ul style="list-style-type: none"> • Mr Ciganek's career of more than 25 years in the mining sector has been spent across mining engineering, executive management and corporate finance. • He is currently Executive Director of BurnVair Corporate Finance, a corporate finance advisory firm. • Mr Ciganek's advisory roles include project finance, mergers and acquisitions, equity capital markets, corporate and commercial advisory. • Mr Ciganek has previously worked in bauxite mining operations with Comalco / CRA (now Rio Tinto) and has provided corporate finance advice to companies in the bauxite, alumina and aluminium sectors.

Community Engagement

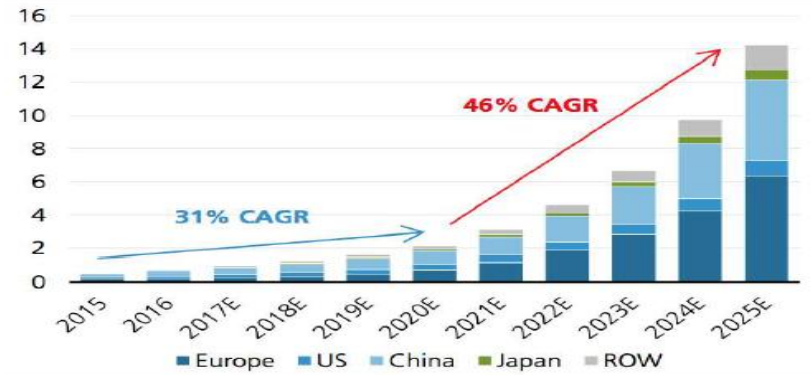


- Strong public and government support for its project activities in the Solomon Islands
- Ongoing programs of community engagement and awareness have resulted in a continued ground-swell of public support for Pacific Bauxite's exploration activities
- Committed to adopting worlds best practices with respect to environmental management, rehabilitation and operating practices
- Committed to ensuring the general well being of employees and the community, as well as supporting the creation of an environmentally and financially sustainable community
- On 5th June 2017, the National Government gazetted a new National Minerals Policy
 - This defines increased rights of traditional landowners in respect to prospecting and mining, as well as responsibilities with respect to traditional owners, culture, customs and the environment
 - Pacific Bauxite supports the proposed changes and welcomes the certainty of rights it provides to landowners

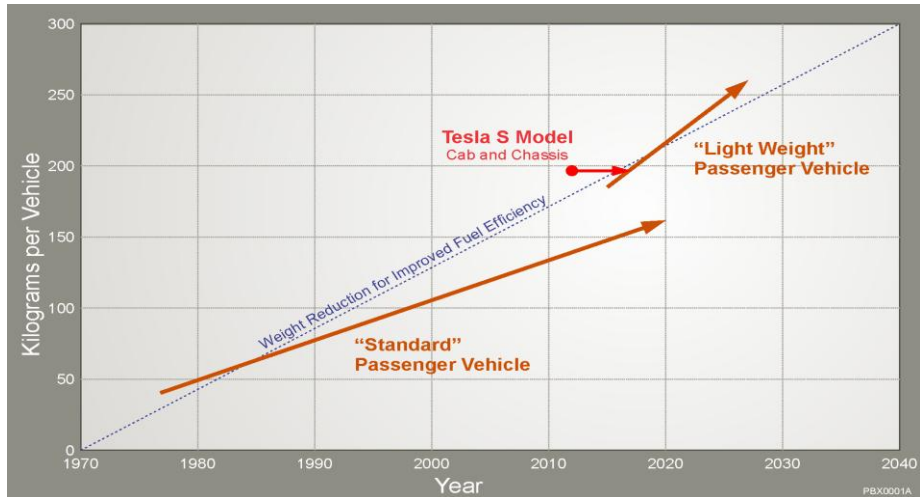
Bauxite Market

- Growth in demand for Electric Vehicles to drive further demand for aluminum
- Projected demand for aluminum possibly not taking into account the exponential growth in demanded expected from the Electric Vehicle sector

Forecast Electric Vehicle Sales By Region (m units)



Source: UBS estimates



Sources:

- JOM – The Member Journal of The Minerals, Metals & Materials Society 53 (8) (2001), pp. 28-32.
- The Aluminium Association's Aluminium Transportation Group (ATB) July 31, 2017
- The Future of Automotive Aluminium, Zapp, Rombach and Kuckshinrichs – Automotive Alumina, 2002.

PACIFIC BAUXITE LIMITED



END

COMPANY PRESENTATION

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