

PACIFIC BAUXITE LIMITED



Corporate Presentation February 2018

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 exploration, development and endeavouring to become the next mid-tier bauxite mining company
- ✓ Key bauxite projects:
 - ✓ **Nendo, Solomon Islands (50%)** – substantial zone of bauxite mineralisation identified with an initial area of ~12km x 2km, average depths of +3m (in places more than 6m), with targeted grades of +40% Al_2O_3 and <2.5% reactive silica
 - ✓ **South West New Georgia, Solomon Islands (50%)** – initial reconnaissance exploration has identified extensive zones of mineralisation, returning grades up to 55.5% Al_2O_3
 - ✓ **Darling Ranges, WA (100%)** – new low cost acquisition with 89Mt Resource at 41.8% Al_2O_3
- ✓ Strong outlook for bauxite demand, particularly out of China and Asia
- ✓ Close to China and Asian markets – low shipping costs, quicker delivery
- ✓ Rapid development pathway – supportive government and land owners
- ✓ Short term catalysts – continued exploration results, maiden JORC Resource and move to scoping studies
- ✓ Substantial upside potential

Bauxite Projects – Solomon Islands

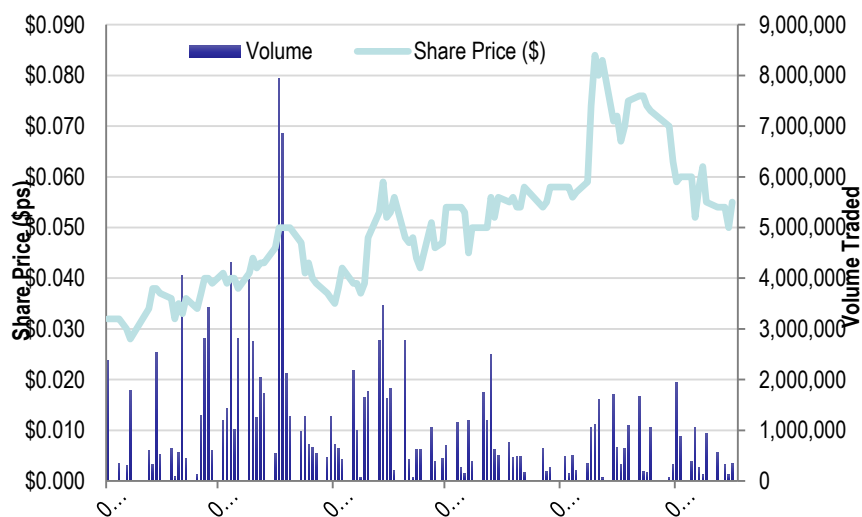


Corporate Overview

Corporate Information

Shares On Issue (Approx)	290.0m
Options On Issue (Exercise 8c)	8.5m
Performance rights	10.5m
Market Capitalisation at 5.5cps	\$15.9m
Cash (as at 31/12/17)	\$0.9m
52 Week Share Trading Range	1.0-8.4c

Share Price Graph



Board of Directors

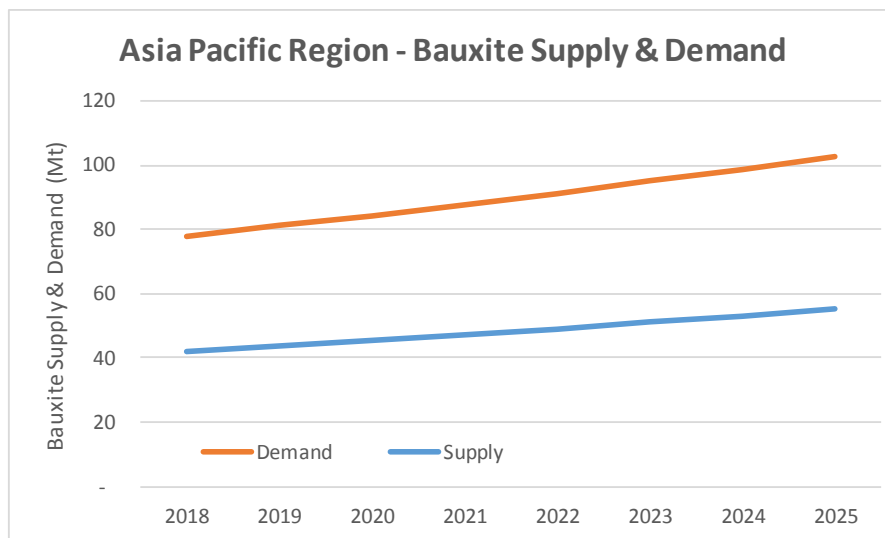
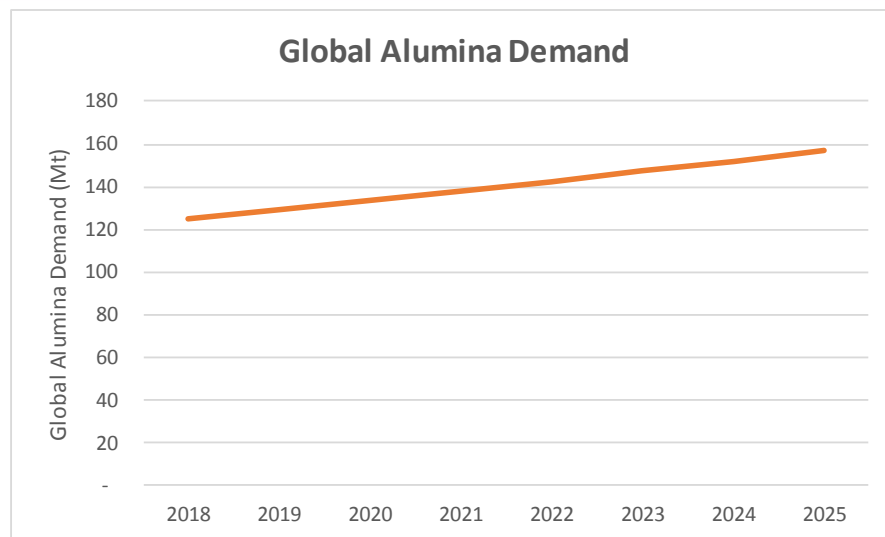
John Ciganek	Non-Executive Chairman (+25yrs, Finance, Mining Engineer, BurnVoir, Comalco)
Peter Lewis	Non-Executive Director (+30yrs, Chairman of Aurum Pacific, a private mining company)
Brett Smith	Non-Executive Director (+30yrs, Corazon, Battery Minerals, Geologist and Corporate roles)
Pippa Coppin	Non-Executive Director (+10yrs Law experience)

Major Shareholders

Top 20	40.3%
Scott Dodd & Associates	13.8%
Directors & Management	1.1%

Bauxite Market

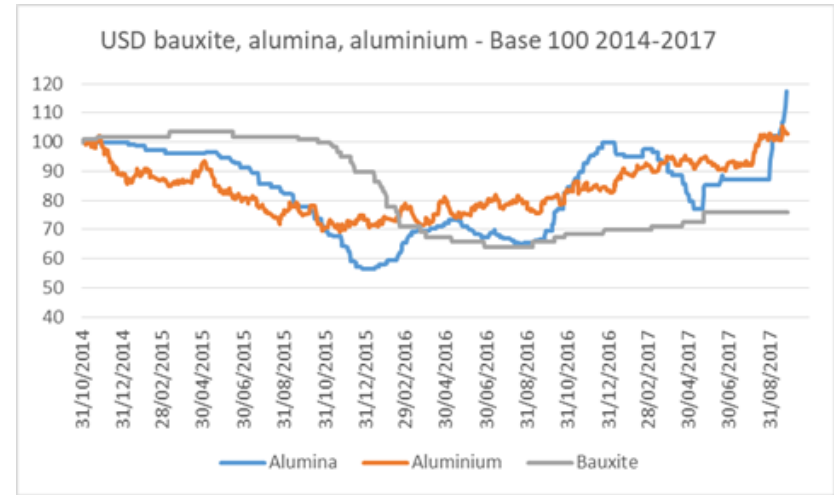
- Globally, existing supply together with planned developments are expected to meet demand to around 2020
- China plans to build several new alumina refineries with a potential capacity of +9Mtpa by 2019
- UAE, Indonesia and Laos plan to build new alumina refineries with a potential total capacity of +6Mtpa by 2019
- Beyond 2020, new projects are required to meet forecast demand – currently there is a forecast supply deficit of **+25Mt by 2025** and **+50mt by 2030**



Source: CRU

Bauxite Market (cont.)

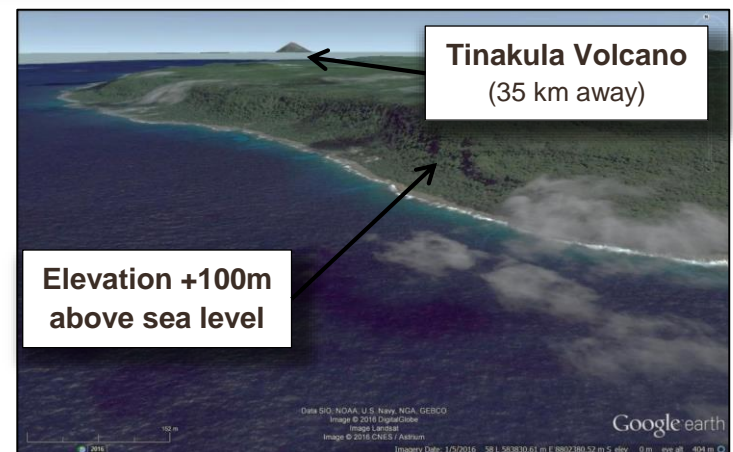
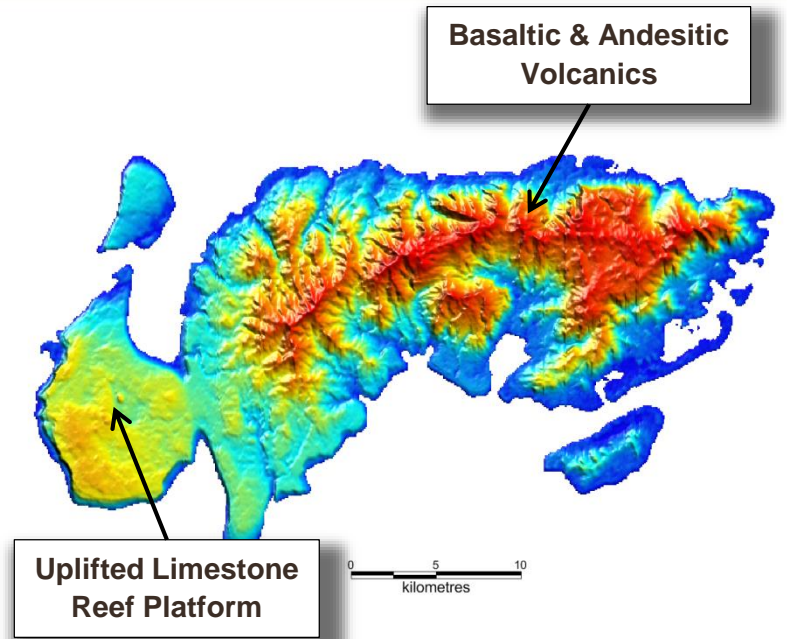
- Chinese bauxite demand is largely driven by a substantial fall in Chinese reserves and domestic production – this has required a corresponding increase in imports into China
- Chinese domestic bauxite quality has continued to fall and is forecast to continue falling over time, as existing high grade operations become depleted
- Environmental inspections have limited bauxite mining since early August 2017
- Shipping costs are a significant factor for China's growing seaborne bauxite needs and will play a key role in driving demand for bauxite from the Asia-Pacific region



Source: Hartleys Research (IRESS & Asian Metals)

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
- Residual gibbsitic soils over ancient limestone reef (karst or carbonate bauxite)
- Uplifted limestone reef platform – up to 150m above sea level



Source: Google Earth – Western end of Nendo Island

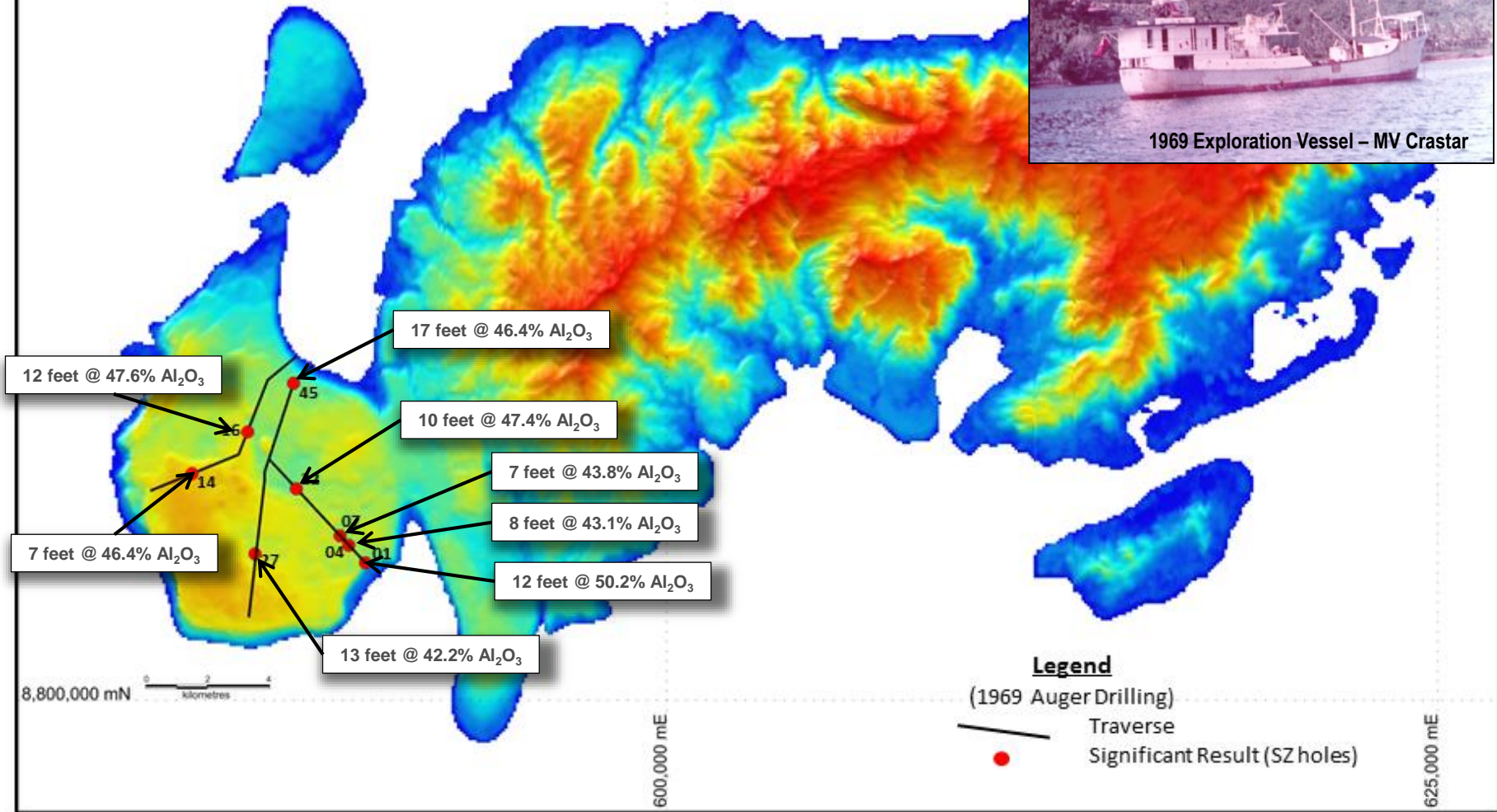
Discovery – 1969 Auger Sampling CRA Exploration



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



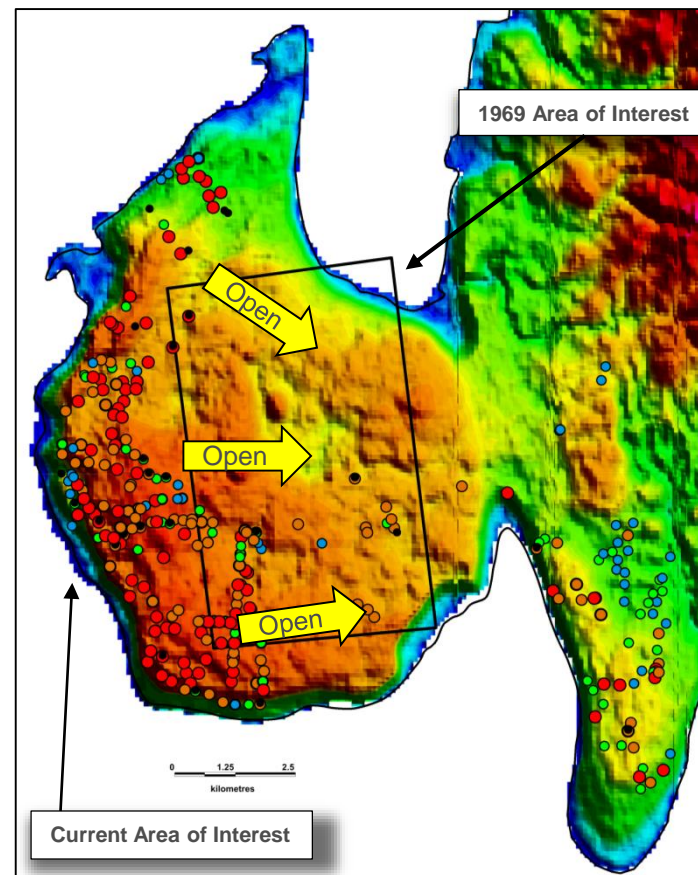
1969 Exploration Vessel – MV Crastar



Exploration Success – Large DSO Target

Area of Bauxite Mineralisation

- Initial area of interest is ~12km x 2km
- Less than 1/3rd of prospective area has been tested
- Open to east where bauxite was identified in 1969, with relatively higher Al_2O_3 grades
- Average depths of +3m & in places tested to 6m (max. hand-auger depth)
- +40% Al_2O_3 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 at Nendo 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

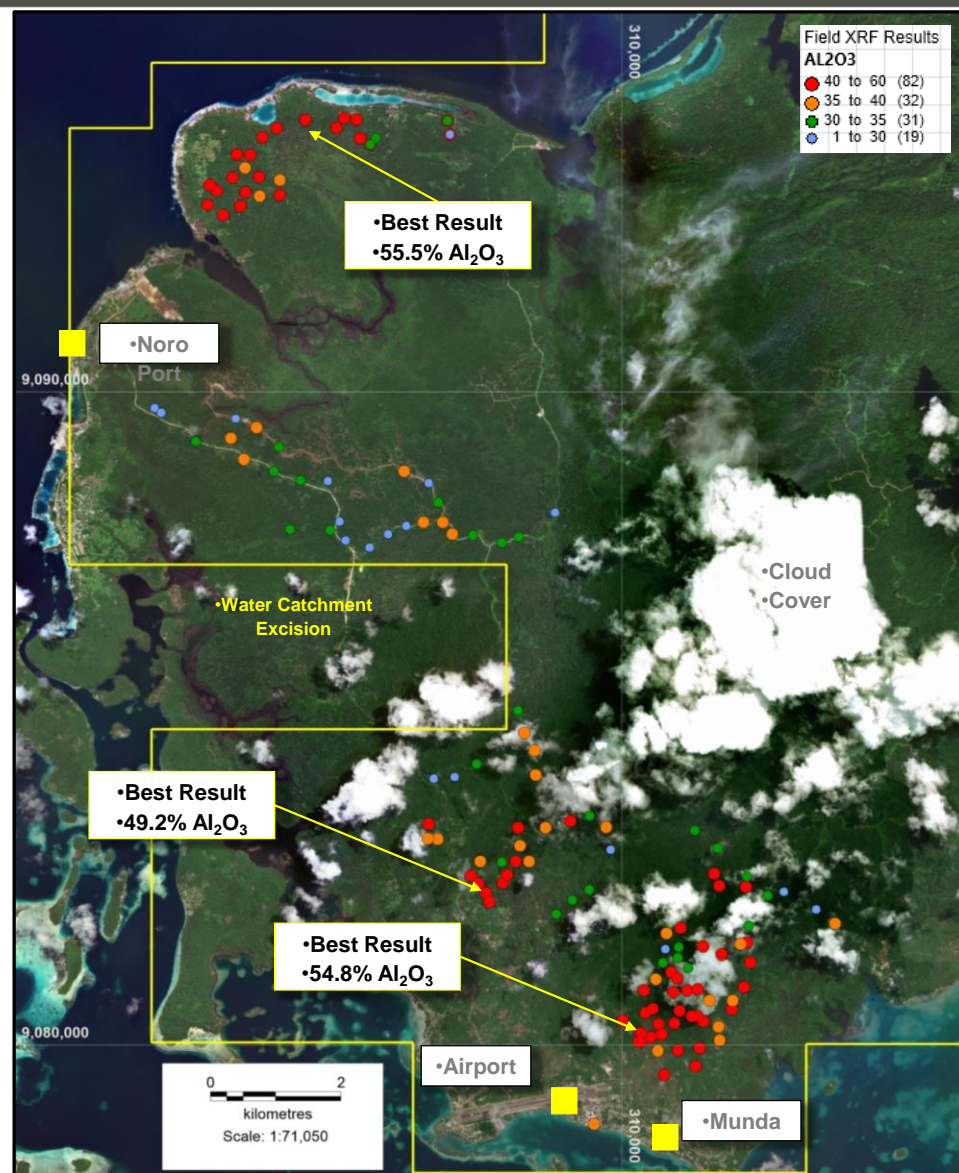
Descriptive Terms

Al₂O₃ = Total Alumina
 av_Al₂O₃ = Available Alumina
 totSiO₂ = SiO₂ = Total Silica
 rxSiO₂ = Reactive Silica

Source: Collated from open file information

South West New Georgia Bauxite Project (cont.)

- Initial reconnaissance exploration program showed extensive zones of mineralisation
- Field XRF returned average grades of above 45% Al_2O_3 , with peak results of 55.5% Al_2O_3
- Three high grade targets have defined the initial focus for detailed exploration and resource definition
- Large areas of prospective bauxite remain untested
- Geological and environmental consultants appointed and work currently underway



South West New Georgia Bauxite Project - 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 vessels
- Munda and Noro are serviced by various retail stores, banks, modest hotels and open air markets
- Access between Noro and Munda is via a recently upgraded, sealed road
- Licence area is crisscrossed with logging tracks



Munda – Noro Road



Noro Port



Noro markets

Status of Work Program – Solomon Islands



Key Consultants Appointed Across Both Projects

- Geological consultants appointed to conduct site reconnaissance, review of data and outline key steps for the delivery of a Resource delineation program
- Environmental consultant appointed to commence relevant base line studies for mining approvals

South West New Georgia

- Surface access agreements established with the majority of traditional landowners
- Ongoing field work to define JORC Resources
- Define Maiden JORC Resource and scoping study

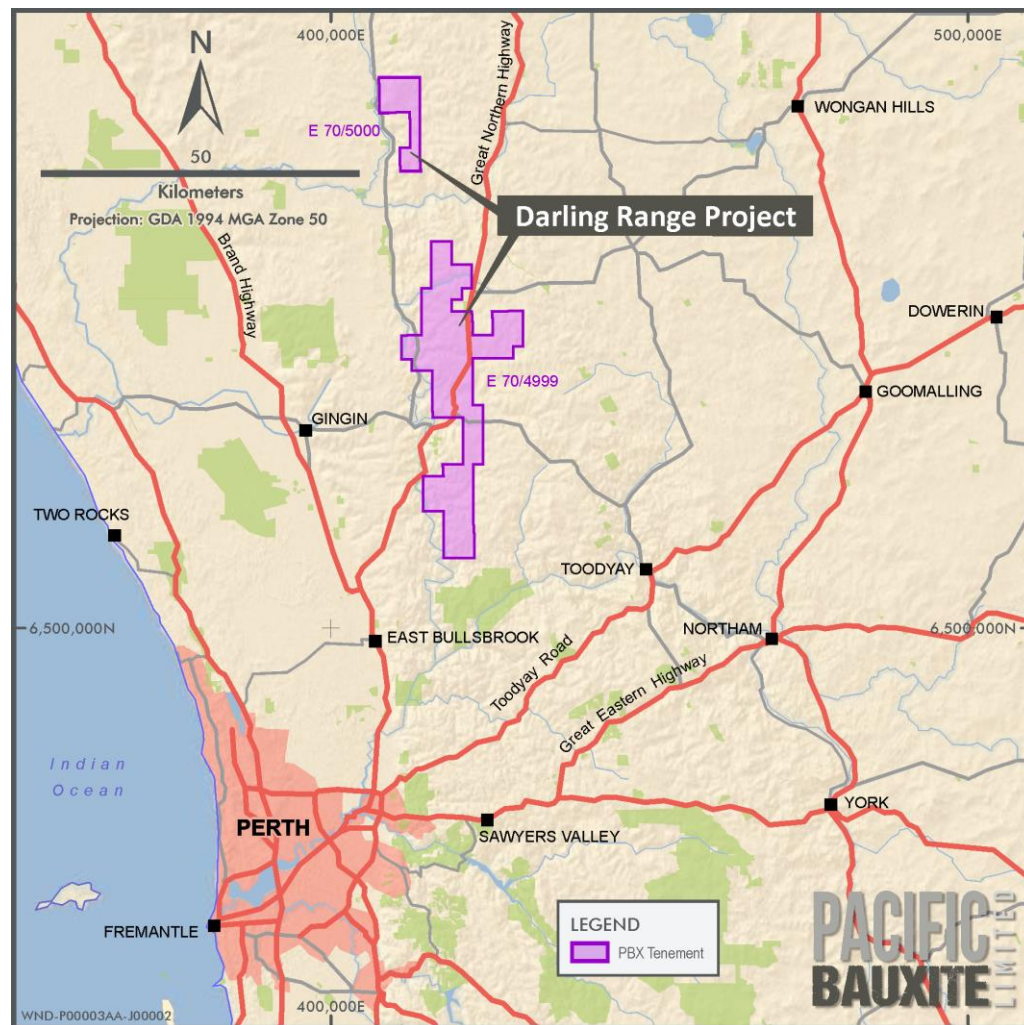
Nendo

- Access delayed due to ongoing awareness programs with traditional owners
- Field work to target high grade bauxite mineralisation for resource definition
- Define Maiden JORC Resource and scoping Study

Darling Range Bauxite Project

Acquired January 2018

- JORC 2004 Inferred resource inventory of 89.3Mt at 41.75% Al_2O_3
- Low cost acquisition with large land holding of 405km² under application
- Desk top studies during tenement approval process to focus on:
 - Upgrade to JORC 2012
 - Access, including community consideration & transport options
- Strategy to secure high quality bauxite assets in targeted jurisdictions in the Australian and Asia Pacific region



Company Summary

- ✓ Endeavouring to become the next mid-tier bauxite mining company
- ✓ Aim to develop DSO-quality bauxite operations with grades of 40%-45% total Al_2O_3 and 5%-10% total SiO_2 , for Asia's growing seaborne bauxite market
- ✓ Nendo and South West New Georgia, Solomon Islands:
 - Dual projects will present opportunities to leverage from existing work programs, management teams and in-country learnings
 - Geological and environmental consultants appointed and work currently underway
 - Near term catalysts – continued exploration results, maiden JORC Resource and move to scoping studies
- ✓ Darling Ranges, WA – new low cost acquisition including 89Mt Resource at 41.8% Al_2O_3
- ✓ Strong outlook for bauxite demand, particularly out of China and Asia
- ✓ Close to China and Asian markets – low shipping costs, quicker delivery
- ✓ Rapid development pathway – supportive government and land owners
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PACIFIC BAUXITE LIMITED



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CORPORATE PRESENTATION

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