PACIFIC BAUXITE LIMITED

**ASX ANNOUNCEMENT**

**18th JUNE 2018**

# DSO-QUALITY BAUXITE CONFIRMED WITH LAB ASSAYS FOR SOUTHWEST NEW GEORGIA BAUXITE PROJECT

**HIGHLIGHTS**

- **Validation laboratory assay results confirm high quality DSO grade bauxite at Southwest New Georgia Project in the Solomon Islands**
- **Assays have been returned for sampling conducted within areas of interest identified by the Company's recently announced Exploration Target**
- **Results confirm field-XRF analysis and indicate high alumina and low silica, consistent with DSO bauxite operations in the Asian Pacific Region**
- **Work remains on going and is focused on higher-grade areas for resource definition and mining studies**

Pacific Bauxite Limited (ASX: PBX) (**Pacific Bauxite** or **Company**) is pleased to announce positive results from laboratory validation assays of samples taken within targeted areas of interest at its Southwest New Georgia Bauxite Project (**SWNG** or **Project**) in the Western Province of the Solomon Islands.

The Company's exploration at SWNG has resulted in the definition of large areas of high-tenor bauxitic soils, grading +40% alumina ($Al_2O_3$), with characteristics suitable for Direct Shipping Ore (DSO) quality bauxite.

Laboratory analysis of samples taken from within the Company's exploration target area (ASX announcement – 27th March 2018) (Figure 1) have validated field XRF results and defined "available alumina" and "reactive silica" values (Table 1) similar in quality to the Company's Nendo Bauxite Project (**Nendo**) (within the Solomon Islands) and other DSO operations in the Southeast Asia – Pacific region.

| Category | Samples | Field Result | | Lab Result | | | |
|---|---|---|---|---|---|---|---|
| | | $Al_2O_3$ % | $SiO_2$ % | $Al_2O_3$ % | $SiO_2$ % | $Al_2O_3$avl % | Rx $SiO_2$ % |
| Less than 5% SiO3 | 9 samples | 51.41 | 4.66 | 46.89 | 3.85 | 36.47 | 2.81 |
| Less than 7% SiO2 | 18 samples | 50.12 | 6.66 | 46.00 | 4.90 | 34.86 | 3.82 |
| Less than 12% SiO3 | 38 samples | 47.91 | 10.05 | 44.18 | 7.36 | 31.89 | 6.15 |
| All bauxitic samples | 43 samples | 47.81 | 10.98 | 43.50 | 8.16 | 30.93 | 6.89 |

**Table 1 – SWNG Project – Average Results for Field and Laboratory Assays**
Category – Average defined for Lab assay $SiO_3$ ranges specified
Field Result – Handheld XRF field assay
Lab Result – Result from accredited Australian laboratory
$Al_2O_3$ – Total Alumina
$Al_2O_3$avl – Available (low temperature) Alumina = Gibbsite Alumina + Kaolinite Alumina
$SiO_2$ – Total Silica
Rx $SiO_2$ – Reactive Silica

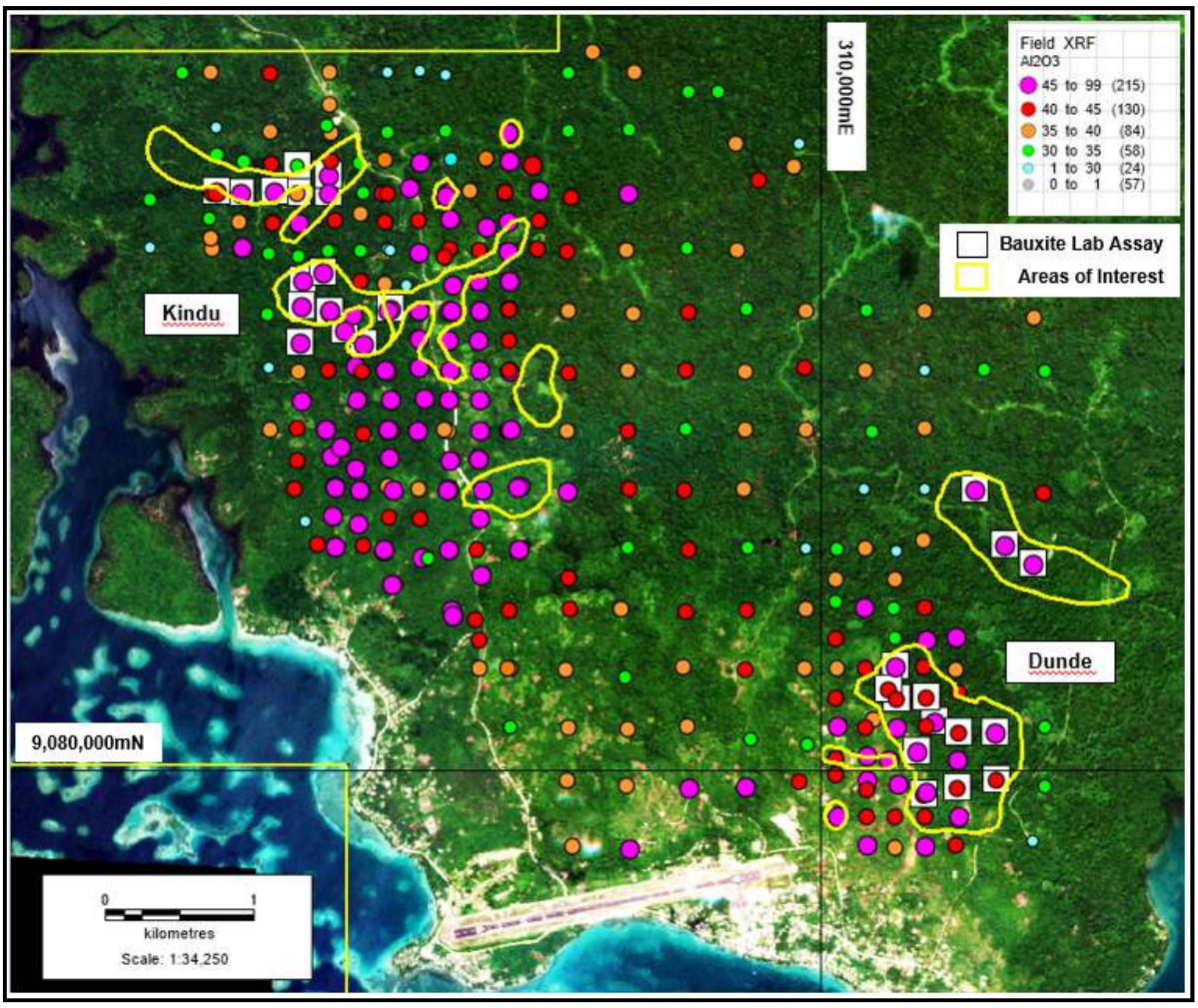


**Figure 1 –** Satellite Imagery of the SNWG Project (southern area), including auger drilling locations, colour coded with grade ranges from field hand-held XRF $Al_2O_3$ results, samples submitted for laboratory analysis (white squares) and areas of interest pertaining to the current Exploration Target (yellow polygons).

## Background to Laboratory Assay Results

Exploration to date at SWNG has utilised hand-held XRF instruments (for field analysis) to determine sample chemical compositions. An initial batch of 49 samples (43 bauxite and six weathered basement rock), taken during auger drilling programs at SWNG in 2017/2018, were submitted to an accredited independent Australian laboratory for multi-element analysis, as well as available (low temperature) alumina and reactive silica.

The variation between the field and laboratory XRF results (Table 1) indicates the XRF instruments require additional calibration to accommodate characteristics particular to the SWNG high-grade mineralisation. The Exploration Target (ASX announcement – 27th March 2018) for SWNG conservatively pre-empted these results (based on similar work at the Nendo Project) and discounted the value of alumina results from the field XRF. As such, the laboratory alumina results are within the range defined by the Exploration Target.

The laboratory assay results delivered much lower silica content than reported via the initial XRF assessment; this improvement (e.g. reduction) in the silica content for the SWNG bauxite was not

anticipated. Silica is a significant penalty when determining the value of bauxite products, and the lower total silica– along with the low reactive silica content – defined by the laboratory assays helps confirm the high quality of the bauxite mineralisation at SWNG (Table 1).

**SWNG Exploration Target**

Two areas in the southern part of the SWNG Prospecting Licence - the Kindu and Dunde prospects (Figure 1) - were identified as priority targets due to the high grade alumina and lower silica content.

An initial Exploration Target(1) of 5.92Mt – 10.05Mt @ 41.0% – 48.0% $Al_2O_3$ (alumina) and 9.5% - 11.8% $SiO_2$ (silica) (Table 2) has been estimated at the Kindu and Dunde prospects. Both targets are now the priority focus for Resource definition work which is currently underway.

| Tonnes | | Total $Al_2O_3$ | | Total $SiO_2$ | |
|---|---|---|---|---|---|
| From | To | From | To | From | To |
| 5,920,000 | 10,050,000 | 41.0 | 48.0 | 9.5 | 11.8 |

**Table 2 – Initial Exploration Target(1) for the Kindu and Dunde Prospects, South West New Georgia Project**

(1) This Exploration Target is not a Mineral Resource as defined by JORC 2012. The target is conceptual in nature and, to date, there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource. Additional details defining the basis for this target are presented within this document.

**Current Activities and Proposed Work – Solomon Islands**

Pacific Bauxite has been active at both SWNG and the Nendo within the Solomon Islands (Figure 2).

Fieldwork at Nendo has been suspended following the receipt of a letter from the Minister of Mines, Energy and Rural Electrification, advising that prospecting license PL 01/16 was cancelled (ASX announcement 6 June 2018). The receipt of the Minister's Letter was completely unexpected by the Company. Reasons provided in the Minister's Letter for the cancellation of the Prospecting License included unsatisfactory level of prospecting at Nendo and failure to establish amicable relations with the local communities. The Company is of the view that these grounds are factually incorrect and therefore unjustified, and is seeking a prompt reversal of the Ministers decision.

Under Solomon Islands law, the JV will appeal against the Minister's decision to cancel the Prospecting License by way of an application to the High Court for a judicial review seeking an order that the Minister's decision be quashed. The JV has engaged legal counsel with previous successful experience with similar cases.

The suspension of operations at Nendo has enabled the Company to re-deploy personnel and equipment to SWNG, which is unaffected by the current situation at Nendo. The results of recent work at SWNG has been positive and the Company believes there is good potential for the definition of large tonnage, direct shipping quality ("**DSO**") mineralisation, suitable for the supply of sea-borne bauxite into China, greater Asia and the Middle East.

In the immediate term, exploration activities are seeking to identify DSO quality mineralisation upon which mining studies and subsequent mining lease applications can be based.


**Figure 2 – Solomon Project Locations**

SWNG is nearby to existing beneficial infrastructure including a deep-water port and township. These factors in conjunction with the highly successful recent phase of exploration mark SWNG as a more advanced project (compared with Nendo) and have confirmed SWNG as Pacific Bauxite's current priority focus.

The Company will keep the market informed in relation to the appeal process regarding the Nendo Prospecting Licence, exploration results from the SWNG Project; and will continue to seek certainty and transparency in its dealings with government authorities and the Minister.

**END**

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**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 employee of Pacific Bauxite Limited. Mr Smith has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that 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.

***Forward Looking Statements***

This announcement contains certain statements that may constitute "forward looking statement". Such statements are only predictions and are subject to inherent risks and uncertainties, which could cause actual values, results, performance achievements to differ materially from those expressed, implied or projected in any forward looking statements.

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.

The Company believes that it has a reasonable basis for making the forward looking Statements in the announcement based on the information contained in this and previous ASX announcements.

The Company is not aware of any new information or data that materially affects the information included in this ASX release, and the Company confirms that, to the best of its knowledge, all material assumptions and technical parameters underpinning the exploration results in this release continue to apply and have not materially changed.

# Table 3: Checklist of Assessment and Reporting Criteria

18 June 2018

*The South New Georgia Bauxite Project –Auger Drilling and Analysis*

## Section 1 Sampling Techniques and Data

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***Sampling techniques*** | • *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*<br>• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*<br>• *Aspects of the determination of mineralisation that are Material to the Public Report.*<br>• *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.* | • Exploration has included sampling using a conventional hand-auger drilling and powered hand-auger drilling machine. The machine powered auger has the capacity to drill a total depth of 9m and conventional hand-augers used have the capacity to test to depths of 6m below surface.<br>• Auger holes are sampled on a composited 1m basis.<br>• Field samples of between 2kg and 4kg were collected in calico bags and transported to the site office.<br>• A sub-sample of approximately 50 grams was taken from the calico for drying, crushing, grinding and testing using a hand-held XRF ("Field XRF" analysis). This exploration is considered early stage prospecting and it is not envisaged the results of this work will be included in any resource estimation.<br>• Typically, at least one sample is tested with the Field XRF from each hole, however the occasional hole is assayed for every metre, as a check for down-hole variability.<br>• An additional sample of approximately 300 grams are taken from the calico, collected in plastic snap-sealed bags for transport to an Australian laboratory for analysis (if required).<br>• This report details the results of 49 samples sent for Laboratory analysis. |
| ***Drilling techniques*** | • *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).* | • Conventional hand auger and machine hand-auger drilling; 62 mm in diameter. |
| ***Drill sample recovery*** | • *Method of recording and assessing core and chip sample recoveries and results assessed.*<br>• *Measures taken to maximise sample recovery and ensure representative nature of the samples.* | • Drilling tested shallow soil profiles to a maximum depth of 9 metres.<br>• Sample recovery for this style of drilling is generally very good.<br>• "Caverns" (voids) within the karst (limestone) basement were noted |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.* | on occasion and reported in the logging. |
| ***Logging*** | • *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*<br>• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*<br>• *The total length and percentage of the relevant intersections logged.* | • Hand written logs record hole number, date drilled, Land Owner details, sample numbers, depth (m), coordinates, RL, geological descriptions of the soil profile and basement material.<br>• All logs have been transcribed to digital spreadsheets and combined with field assay results.<br>• Logging is descriptive and qualitative in nature. |
| ***Sub-sampling techniques and sample preparation*** | • *If core, whether cut or sawn and whether quarter, half or all core taken.*<br>• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*<br>• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*<br>• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*<br>• *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.*<br>• *Whether sample sizes are appropriate to the grain size of the material being sampled.* | • Field samples of between 2kg and 4kg were collected in calico bags and transported to the site office.<br>• This phase of exploration has been completed during the wet season. As such, samples are generally damp and subsampling has been completed by taking random “cut” from the main sample.<br>• A sub-sample of approximately 50 grams was taken from the calico for drying, crushing, grinding and testing using a hand-held XRF (“Field XRF”).<br>• An additional sample of approximately 300 grams is cut from the calicos and collected in a separate bags for transport to an Australian laboratory for analysis (if required).<br>• A total of 49 samples were sent to ALS<br>• The phase of exploration is reconnaissance in nature and provides an indication of the tenor and distribution of mineralisation within the Project.<br>• In each new area explored, deeper holes are drilled to test the soil profile to basement.<br>• Sample and sub-sample sizes are considered appropriate for this stage of exploration. |
| ***Quality of assay data and laboratory tests*** | • *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*<br>• *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* | • Samples were analysed in a field laboratory established at the Company’s site office.<br>• 49 samples were sent to ALS Minerals, Shand Street, Brisbane.<br>• Field analysis was undertaken using a handheld Olympus Vanta handheld XRF analyzer. Personnel using these instruments have been trained in Australia and are certified to use the equipment. The |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.* | tool is 'self-calibrating' with locally derived reference material being used as a check on the performance of the instrument.<br>• Personnel using these instruments have been trained in Australia and are certified to use the equipment.<br>• ALS Minerals is an NATA accredited independent testing laboratory. Analytical methods used by ALS include<br>• Standard ALS QA/QC Certificates have been provided regarding work completed. These certificates support the analysis is within acceptable precision<br><br>**ANALYTICAL**<br>Al- LICP01 Avail. Alumina in Bauxite<br>Analytes Requested: Al2O3avl<br>ME- GRA05 H2O/LOI by TGA furnace<br>Analytes Requested: LOI<br>ME- XRF13n Bauxite By fusion XRF<br>Analytes Requested: Al2O3,BaO,CaO,Cr2O3,Fe2O3,K2O,MgO,MnO,Na2O,P2O5,SiO2,SO3,SrO,TiO2,Total,V2O5,Zn,ZrO2<br>Si- LICP01 Reactive Silica in Bauxite<br>Analytes Requested: Rx SiO2 |
| ***Verification of sampling and assaying*** | • *The verification of significant intersections by either independent or alternative company personnel.*<br>• *The use of twinned holes.*<br>• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*<br>• *Discuss any adjustment to assay data.* | • Laboratory analysis of reconnaissance sampling completed in 2017 indicated the Field XRF results on average report higher than the Lab results for $Al_2O_3$ and lower for $SiO_2$. Work is on-going in explaining and understanding this variation. Previous discrepancies have been attributed to field sample preparation techniques. However, these have been improved and the Company is currently looking into the mineralogy and chemistry of the bauxite deposits at SWNG and how they could affect the field XRF or lab XRF analysis, as well as calibrating the handheld XRF for the higher grade (+50% $Al_2O_3$ ) materials at SWNG.<br>• Because of this variation, a discount factor ("cut") has been applied for the estimation of the Exploration Targets.<br>• Bauxite deposits in the Pacific typically have residual soil profiles that are fairly uniform with respect to $Al_2O_3$ content. Field analysis of the SWNG samples from auger drilling support that the tenor of the $Al_2O_3$ |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | content is fairly consistent throughout the soil profile, however $SiO_2$ can be variable dependent on the area tested. |
| ***Location of data points*** | • *Accuracy and quality of surveys used to locate drill-holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*<br>• *Specification of the grid system used.*<br>• *Quality and adequacy of topographic control.* | • All sample sites have been located using handheld GPS units or an Altus APS3G RTK centimetre accurate surveying system. This phase of exploration is reconnaissance in nature and as such the level of accuracy provided by this equipment is deemed as adequate.<br>• Datum: WGS84 (Zone 57s).<br>• Sample site locations can be determined from plans provided within the document. |
| ***Data spacing and distribution*** | • *Data spacing for reporting of Exploration Results.*<br>• *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.*<br>• *Whether sample compositing has been applied.* | • A conventional auger drilling program has tested 562 sites. A total of 1,092 samples were taken; field XRF assay results have been reported for 979 samples .<br>• This phase of exploration is reconnaissance in nature. Data density, the quality of sampling and data analysis is not sufficient for the completion of resource estimation.<br>• Sample site spacings are variable, to some degree determined by access and regolith. |
| ***Orientation of data in relation to geological structure*** | • *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*<br>• *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.* | • The auger drilling and sampling is reconnaissance in nature, with sample sites determined primarily by access over the inland island areas.<br>• No orientation bias has been established, although it is anticipated that the higher-grade bauxite deposits of being sort will be poddy in character or narrow channel-like features related to drainage and paleo-water flow. |
| ***Sample security*** | • *The measures taken to ensure sample security.* | • All sampling and field analysis is supervised by Company geologists.<br>• Lab samples are transported to Honiara for additional sorting by Company geologists, prior to couriering to Brisbane for quarantine and analysis.<br>• Sample submission via courier through to ALS in Brisbane is trackable. |
| ***Audits or reviews*** | • *The results of any audits or reviews of sampling techniques and data.* | • This work remains in progress.<br>• ALS will provide in-house QA/QC reports for auditing purposes of all samples submitted for analysis. |

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***Mineral tenement and land tenure status*** | • *Type, reference name/number, location and ownership, including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*<br>• *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.* | • Prospecting Licence 04/17 SW New Georgia was granted to Australian Pacific Bauxite Pty Ltd (APB) in July 2017 for a period of three years for all minerals and comprises of approximately 252.9 $km^2$. APB is a wholly owned subsidiary of Australian company Eight South Investments Pty Ltd. Pacific Bauxite Limited holds 50% equity and is Manager of the joint venture company Eight South Investments Pty Ltd (ASX announcement dated 30 March 2016).<br>• The Prospecting Licence is governed by the Ministry of Mines, Energy and Rural Electrification in the Solomon Islands. |
| ***Exploration done by other parties*** | • *Acknowledgment and appraisal of exploration by other parties.* | • Work by Australian exploration company Solex Exploration Pty Ltd in the late 1970's, identified bauxite deposits as residual soils on up-lifted lagoon limestone reef platforms.<br>• Past exploration on the island has been validated in discussions with local people that were involved in the historical exploration programs. |
| ***Geology*** | • *Deposit type, geological setting and style of mineralisation.* | • The style of mineralisation is bauxite as residual soils over ancient uplifted coral lagoon.<br>• Limestone reef (karst environment). Such deposits are also known as karst or carbonate bauxites and are well documented throughout tropical and sub-tropical regions. These deposits are formed by lateritic weathering and residual soils (clays) over or interbedded with limestone. Typically, deposits consist of low temperature gibbsite (tri-hydrate or tropical bauxite).<br>• Bauxite is aluminum-rich ore that is used for aluminum production. |
| ***Drill hole Information*** | • *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*<br>  ○ *easting and northing of the drill hole collar*<br>  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*<br>  ○ *dip and azimuth of the hole*<br>  ○ *down hole length and interception depth*<br>  ○ *hole length.* | • A conventional auger drilling and machine drilling program has tested 562 sites. A total of 1,092 samples were taken; field XRF assay results have been reported for 979 samples.<br>• Sites were surveyed using handheld GPS units or an Altus APS3G RTK centimetre accurate surveying system with datum WGS84 (Zone 57s).<br>• Sample site locations can be determined from plans provided within the document.<br>• All auger holes were vertical. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.* | • Total hole depth and end of hole information has been recorded.<br>• It is impractical to include all this data within this document. Overview plans have been provided as summary information. |
| ***Data aggregation methods*** | • *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.*<br>• *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.*<br>• *The assumptions used for any reporting of metal equivalent values should be clearly stated.* | • Specific grades have not been reported within this document.<br>• Grade ranges are provided in the diagrams for visual reference. |
| ***Relationship between mineralisation widths and intercept lengths*** | • *These relationships are particularly important in the reporting of Exploration Results.*<br>• *If the geometry of the mineralisation with respect to the drill-hole angle is known, its nature should be reported.*<br>• *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').* | • The main area tested is believed to be on an uplifted coral lagoon, with estimated average bauxite thickness of more than 3m and in places greater than 9m tested with auger.<br>• Auger holes are vertical. Depths presented are considered depths from surface.<br>• Surficial carbonaceous soils are thin (typically 0.1m to 0.4m) and commonly carry +30% $Al_2O_3$.<br>• Depth is variable, with the paleo-limestone surface considered to be very irregular. |
| ***Diagrams*** | • *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.* | • Diagrams within this announcement identify positions of sample sites.<br>• Grade ranges for sample results are show in figures within the report. |
| ***Balanced reporting*** | • *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.* | • The average of results for $SiO_2$ and $Al_2O_3$, are presented within this report.<br>• Grade ranges for sample results are show in figures within the report. |
| ***Other substantive exploration data*** | • *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.* | • In 1970, Sol exploration discovered the bauxite deposit on the central South part of the tenement<br>• They suggested that the bauxite zone trends in a NW and South Easterly direction within the Uplifted coral lagoon reef area.<br>• Thirty nine (39) deep auger holes were drilled and 101 samples were collected. This work identified non-JORC tonnages of plus 44% total |

| Criteria | JORC Code explanation | Commentary |
| --- | --- | --- |
| | | $Al_2O_3$ with less than 10% soluble $SiO_2$ . |
| ***Further work*** | • *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*<br>• *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.* | • This current phase of exploration will assist in the definition of areas suitable for resource definition work. Planning in well advanced for the commencement of resource definition. |