
NENDO PROJECT UPDATE

Pacific Bauxite Limited (ASX: PBX) (**Pacific Bauxite** or **Company**) provides the following update on the Nendo Bauxite Project in the Solomon Islands.

The Attorney-General of the Solomon Islands, on behalf of the Minister of Mines, Energy and Rural Electrification, the Director of Mines and the Mines and Minerals Board, filed and served a Notice of Appeal with the Solomon Islands Court of Appeal. The Notice of Appeal seeks to appeal both the interlocutory ruling delivered on 19 October 2018 and also the final ruling delivered on 5 April 2019.

The Notice of Appeal records three grounds of appeal:

1. The learned trial judge erred in law and fact in holding that the appeal avenue provided by s.71(5) of the Mines and Minerals Act to the holder of a permit, licence or lease suspended by the Minister need not be first exhausted before filing a claim for judicial review contrary to the requirements of r.15.3.8(d) of the *Solomon Islands Court (Civil Procedure) Rules 2007*.
2. The learned trial judge erred in law and fact in holding that AU Capital Pty Ltd (now named Eight South Investments Pty Ltd) did not contravene s.28(1) of the Act by not first obtaining an approval in writing by the Mines and Minerals Board before allegedly transferring or otherwise dealing with Prospecting Licence 01/16.
3. The learned trial judge erred in law and fact in holding that the Minister acted ultra vires his powers under s.71(1) and s.71(2) of the Act and thereby quashing his decision of 24 May 2018.

The Notice of Appeal purports to reserve the right to add further grounds of appeal.

The Notice of Appeal seeks to set aside and strike out the application for judicial review or, alternatively, set aside the final ruling and affirm the Minister's decision to cancel Prospecting Licence 01/16.

The Notice of Appeal was filed more than 30 days after the date of the final decision. No application to extend time or for leave to appeal the interlocutory ruling was served.

The Company's joint venture company, Eight South Investments Pty Ltd is considering its position in relation to the Notice of Appeal and has 14 days to file a notice of

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contentions to affirm the decision on grounds other than those relied upon by the High Court.

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