

PACIFIC BAUXITE LIMITED

11 September 2019

ASX Announcement

RIGHTS ISSUE

Pacific Bauxite Limited (ASX: PBX) (**Pacific Bauxite** or **Company**) is pleased to announce a capital raising by way of a non-renounceable pro-rata rights issue to raise \$991,535 (before costs) (**Rights Issue**).

Under the Rights Issue, eligible shareholders will be able to subscribe for 1 new share for every existing 2 shares they hold at an issue price of \$0.005 per share.

The proposed use of funds raised under the Rights Issue (net of expenses) will be used as Legal costs over tenure of NENDO Bauxite Project, exploration work and resource definition work at NENDO Bauxite Project and Southwest New Georgia Bauxite Project as well as for general working capital purposes.

A prospectus document providing all details of the Rights Issue has been lodged with the Australian Securities and Investments Commission (**ASIC**). A copy of the prospectus, together with the Entitlement and Acceptance Form, will be dispatched to all eligible shareholders on 26 September 2019 as per the timetable* outlined below.

Lodgement of Prospectus with the ASIC	11 September 2019
Lodgement of Prospectus & Appendix 3B with ASX	11 September 2019
Notice sent to Optionholders	18 September 2019
Notice sent to Shareholders	19 September 2019
Ex-date	23 September 2019
Record Date for determining Entitlements	24 September 2019
Prospectus sent out to Shareholders & Company announces this has been completed	26 September 2019
Closing Date*	18 October 2019
Shares quoted on a deferred settlement basis	21 October 2019
ASX notified of under subscriptions	23 October 2019
Issue date/Shares entered into Shareholders' security holdings	25 October 2019

* The timetable is indicative only and the Company reserves the rights to vary it at any time without prior notice subject to the ASX Listing rules and the Corporations Act 2001 (Cth)

PBX's Chairman, Mr Peter Lewis, has drafted a letter to all shareholders sharing his thoughts on the Rights Issue which is attached to this announcement.

END

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For further information, visit www.pacificbauxite.com.au or contact:

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Non Executive Chairman

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Dear Fellow Shareholder,

Pacific Bauxite Limited (**PBX** or the **Company**) presents you details in respect to an entitlement issue for the offer of one share for every two shares held (**Rights Issue**). I sincerely hope you will support the Rights Issue.

PBX is aiming to raise circa \$991k to progress our efforts in the Solomon Islands to secure the reinstatement of the Company's tenure over the Nendo Bauxite Project, and progress the exploration and resource definition work at what we believe is a world class bauxite deposit.

Due to the prolonged legal action resulting from the illegal cancelation of PL01/16 (**Nendo Mining Licence**) by the Minister of Mines, the Company's budget has been stretched to the point that we need to now raise further cash to achieve our objective.

The Board has taken every possible measure to preserve the Company's cash and slash expenses. To date we have laid off all staff, sold off non-core assets and cancelled various non-essential services.

We remain fully confident in the Company's rights to title over the Nendo Mining Licence as evidenced by the recent dismissal of the Mines Minister's Appeal. As a result of this decision we have now written to the Minerals Board to have the Nendo Mining Licence reinstated. Based on the judgement we received in our Court Case we see no reason at this time that we will not be successful in this.

The Company has constantly faced disruption from foreign mining interests who obviously recognise the value of our prospect. We are very determined to prevail and with your assistance with the Rights Issue we believe we will.

Sincerely,



Peter Lewis
Pacific Bauxite Limited
Chairman