

Partial Relinquishment Report

on

EL 3/2012 – Ross

Project Operator: ABx4 Pty Ltd

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CONTENTS

1 ABSTRACT 2

2 INTRODUCTION 3

3 REVIEW OF PREVIOUS WORK 6

4 EXPLORATION COMPLETED DURING THE REPORTING PERIOD 7

5 DISCUSSION OF RESULTS 8

6 CONCLUSIONS AND RECOMMENDATIONS 9

7 ENVIRONMENT 10

8 REFERENCES 11

MAPS (Datum of both maps below is GDA94)

Map 1. Original tenement outline of EL 3/2012. 4

Map 2. Current and Proposed Relinquishment Area of EL3/2012. 5

1 ABSTRACT

Objective:

Exploration Licence (EL) 3/2012 “Ross” was applied for by ABx4 Pty Ltd (**ABx4**) in order to facilitate an exploration program to discover economically viable deposits of bauxite associated with Tertiary Volcanics, in an area with old penneplained surfaces preserved as plateaus. The goal of the program was to determine the location of potential bauxite deposits prior to assessing quality and quantity of the bauxite in the area using an RC drill rig mounted on a light 12 tonne truck.

Methodology:

1. Detailed geological mapping, including geomorphological mapping, to define the areas with best potential for bauxite.
2. Systematic sampling of natural outcrops and exposures in road cuts of lateritic weathering profile.
3. Chemical analyses of samples, including specialist analyses to determine total and available alumina, total and reactive quartz, loss on ignition and other analyses as required in bauxite search.
4. Planning of drilling programs on outcrops considered to be of sufficient quality to be quantified.

Results:

Glen Connell Road, in the westernmost land parcel proposed for relinquishment, was traversed in 4WD vehicle by company geologists. Observations from this traverse were of fresh Dolerite outcrops and Dolerite-derived soils – no bauxitic material was observed in this area.

The eastern land parcel being relinquished was not visited, however, analysis of available geological maps and Google Earth imagery and terrain data led to the belief that the high-relief western facing slopes that make most of this area most likely consist entirely of Dolerite.

Thus, these two parcels are considered to be less prospective for finding economic quantities of bauxite.

In total, ABx is proposing to relinquish a further 10 km² from the EL3/2012 area.

2 INTRODUCTION

Exploration Rationale

Exploration Licence (EL) 3/2012 “Ross” was applied for in order to facilitate an exploration program to discover economically viable deposits of bauxite associated with Tertiary Volcanics, in an area with old peneplained surfaces preserved as plateaus.

Geological Setting

The historic work done by H.B. Owen (‘Bauxite in Australia’, 1954) demonstrated that Bauxite in Tasmania can be found in both Jurassic Dolerite and Tertiary Basaltic Volcanics. According to Owen, these bauxite deposits - regardless of host rock type - are thought to form either as ‘grouped remnants of former continuous sheet’ or ‘formed in lenticular or pod shaped bodies in localised depressions’.

Tenement Information

EL 3/2012 “Ross” was granted on and from 11 September 2012 for a period of 5 years to ABx4. Total area of the original licence is 174sq km and its Mineral Category is 1 – Metallic Minerals and Atomic Substances. In late 2013, a previous relinquishment application was made which resulted in the current tenement area of 103 km².

This Partial Relinquishment Report has been written in to support the August 2015 application to drop a further 10 km² from area of EL3/2012. This would reduce EL3/2012 to 93 km².

Tenure, including joint venture details and title transfers

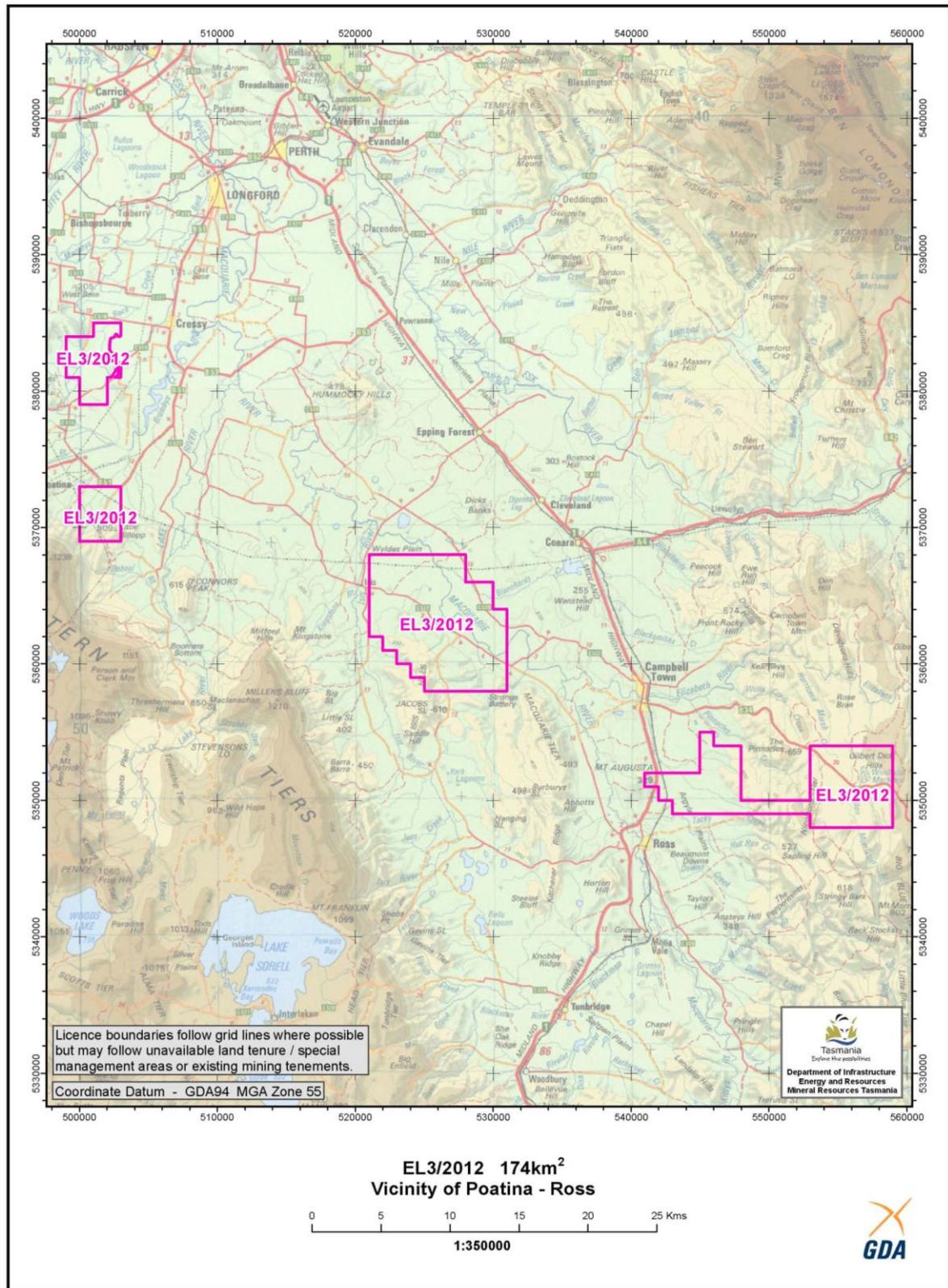
EL 3/2012 “Ross” is 100% owned by ABx4 Pty Ltd (“ABx4”). ABx4 is a wholly-owned subsidiary of Australian Bauxite Limited.

Location

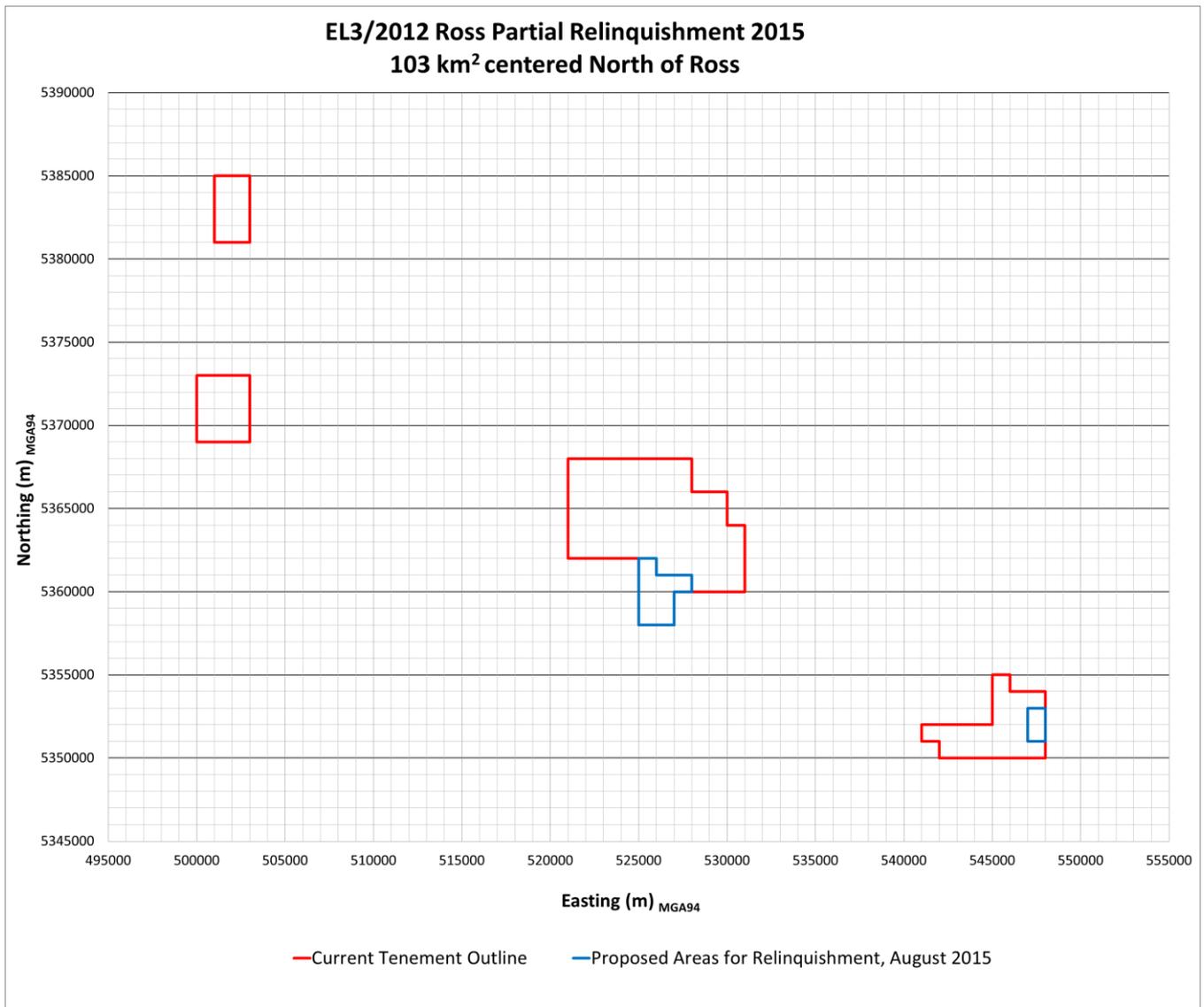
The Ross tenement is comprised of 4 separate land parcels located along a NW-SE strike between Cressy and Ross.

The tenement is approximately 90km from the large operating port at Bell Bay and the Midlands highway passes through the centre of the tenement. The Ross tenement is ideally located for both rail and road transport to the port. EL 3/2012 is close to the City of Launceston which could offer a wide range of services and skilled work force.

The majority of the land usage in the tenement is agricultural land with land categories 4-6, with some small private reserves and natural forest.



Map 1 – Original tenement outline of EL 3/2012 “Ross” prior to the first relinquishment in late 2013.



Map 2. Current and Proposed Relinquishment Area of EL3/2012.

3 REVIEW OF PREVIOUS WORK

Prior to Current Tenement

Historical references for bauxite in the Ross Tenement are reported by H.B. Owen in his book “Bauxite in Australia”, 1954, which was the basis for Initial exploration of the area

- H.B. Owen, 1954, Bauxite in Australia, Bulletin 24

4 EXPLORATION COMPLETED DURING THE REPORTING PERIOD

Literature Review

- H.B. Owen, 1954, Bauxite in Australia, Bulletin 24

Proposed Relinquishment Area

Glen Connell Road, in the westernmost land parcel proposed for relinquishment, was traversed in 4WD vehicle by company geologists. Observations from this traverse were of fresh Dolerite outcrops and Dolerite-derived soils – no bauxitic material was observed in this area.

The eastern land parcel being relinquished was not visited, however, analysis of available geological maps and Google Earth imagery and terrain data led to the belief that the high-relief western facing slopes that make most of this area most likely consist entirely of Dolerite.

Thus, these two parcels are considered to be less prospective for finding economic quantities of bauxite.

5 DISCUSSION OF RESULTS

Glen Connell Road, in the westernmost land parcel proposed for relinquishment, was traversed in 4WD vehicle by company geologists. Observations from this traverse were of fresh Dolerite outcrops and Dolerite-derived soils – no bauxitic material was observed in this area.

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Thus, these two parcels are considered to be less prospective for finding economic quantities of bauxite.

6 CONCLUSIONS AND RECOMMENDATIONS

A combination of field traversing, MRT Geological Maps and Google Earth satellite imagery and terrain data led to the current designation of units as relatively less prospective for the discovery of economic quantities of bauxite.

Therefore, ABx is proposing to relinquish these units - a further 10 km² - from the EL3/2012 area.

7 ENVIRONMENT

Surface Disturbing Operations:

No surface disturbing operations were undertaken in the areas being relinquished.

Surveys (archaeological, botanical):

No surveys were undertaken in the areas being partially relinquished.

Rehabilitation:

No rehabilitation was required in the areas being partially relinquished.

8 REFERENCES

H.B. Owen, 1954, Bauxite in Australia, Bulletin 24