

Partial Relinquishment Report

for

EL 9/2010 – Deloraine

Reporting Period: 14 September 2010 – 13 September 2015

Project Operator: ABx4 Pty Ltd

Address: Level 2, 131 Macquarie Street, Sydney, NSW, 2000

Authors: Tamara Coyte

Report Compiled By: Tom Battaglia

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1 ABSTRACT

Objective

Exploration Licence (EL) 9/2010 “Deloraine” 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 peneplained surfaces preserved as plateaus. The goal of the program is to determine the quality and quantity of the bauxite in the area using an RC drill rig mounted on a light Mitsubishi 12 tonne truck.

Work Undertaken in the Relinquished Area:

1. Traversing of public roads in 4WD vehicle.
2. Desktop reviews of EL9/2010 area.

Results

Very little work has been done in the relinquished areas besides the traversing of several public roads in a 4WD vehicle.

No bauxite has been found in these areas to date, however, it may still occur in small amounts (the tonnages of which would not be significant).

Other areas not explored were relinquished on the basis that they are covered by high value agricultural land on which mining is unlikely to occur.

2 INTRODUCTION

Exploration Rationale

Exploration Licence (EL) 9/2010 “Deloraine” 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. The goal of the program is to determine the quality and quantity of the bauxite in the area using an RC drill rig mounted on a light 12 tonne truck.

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 9/2010 “Deloraine” was granted on and from 14 September 2010 for a period of 5 years to ABx4.

This Partial Relinquishment Report has been written to document the 32 sq km of land being surrendered from the EL9/2010 tenement at the end of the fifth reporting period. The remaining area is proposed for renewal .

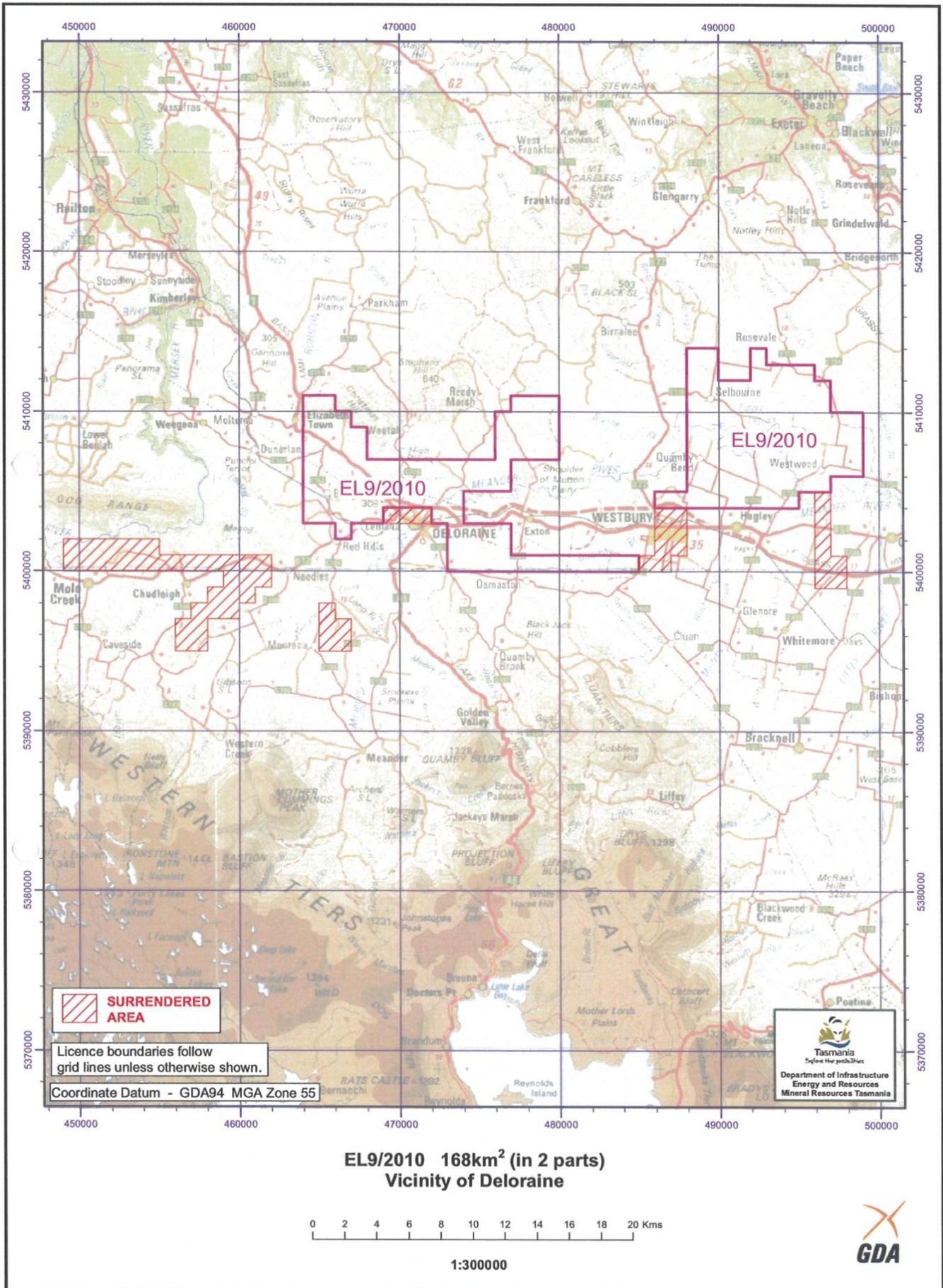
The Mineral Category of EL 9/2010 is 1 – Metallic Minerals and Atomic Substances.

Location

EL 9/2010 is located around the town of Deloraine (Map 1) where there is a rail line which connects all the ports of Tasmania to each other. Ports and rail way lines in Tasmania are generally under capacity and the Deloraine Tenement is only 42km from Devonport. EL 9/2010 is close to the city of Launceston and could offer a wide range of services and skilled work force.

Tenure, including joint venture details and title transfers

EL 9/2010 “Deloraine” is 100% owned by ABx4 which is a wholly-owned subsidiary of Australian Bauxite Limited.



Map 1. Location of EL 9/2010 "Deloraine and previously relinquished areas. Datum GDA94 (MGA94 Zone 55).

3 REVIEW OF PREVIOUS WORK

Prior to Current Tenement

Exploration for Bauxite was conducted by C.R.A Exploration Pty Limited (**CRA**) in the late 1960s and early 1970s. CRA decided to relinquish its tenement in central northern Tasmania as no worthwhile results were obtained.

Two reports were composed by CRA:

1. Miss S.E. Close, Feb 1970, Scintillometer Search for Bauxite, Northwest Tasmania, *CRA Exploration Pty Limited*
2. Miss S.E. Close, June 1971, Final Report on Bauxite Search, Devonport E.L. 36/70 Tasmania, *CRA Exploration Pty Limited*

The following is an extract from the second report, summarizing CRA's findings:

Final Report on Bauxite Search, Devonport E.L. 36/70 Tasmania

Final testing of this area in central northern Tasmania was carried out using a Gemco Model 210A auger drill. A total footage of 1148 feet was drilled in 57 holes and 206 samples were sent to Zinc Corporation for Al_2O_3 , SiO_2 and Fe_2O_3 analysis.

Drilling was concentrated on the two most promising areas, near Sassafras and near Deloraine, although all areas of soil over basalt within the E.L. were tested.

CONCLUSION

It is recommended that the E.L. be relinquished before the renewal date of 24th June, 1971. A memo has already been written to this effect.

No worthwhile results were obtained. Most of the 206 samples contained less than 30% total alumina, while 8 contained between 30 and 40% total alumina, but were also high in Fe_2O_3 and SiO_2 . The higher values occurred in holes B20 and B25.

GENERAL DISCUSSION

As stated before, the drilling was carried out on all the areas of soil over basalt within the E.L. These have been described in preceding reports.

Prior to Current Reporting Period

Exploration within current proposed relinquishment areas has been limited to the traversing of public roads by 4WD vehicles. No bauxite has been observed.

4 EXPLORATION COMPLETED DURING THE REPORTING PERIOD

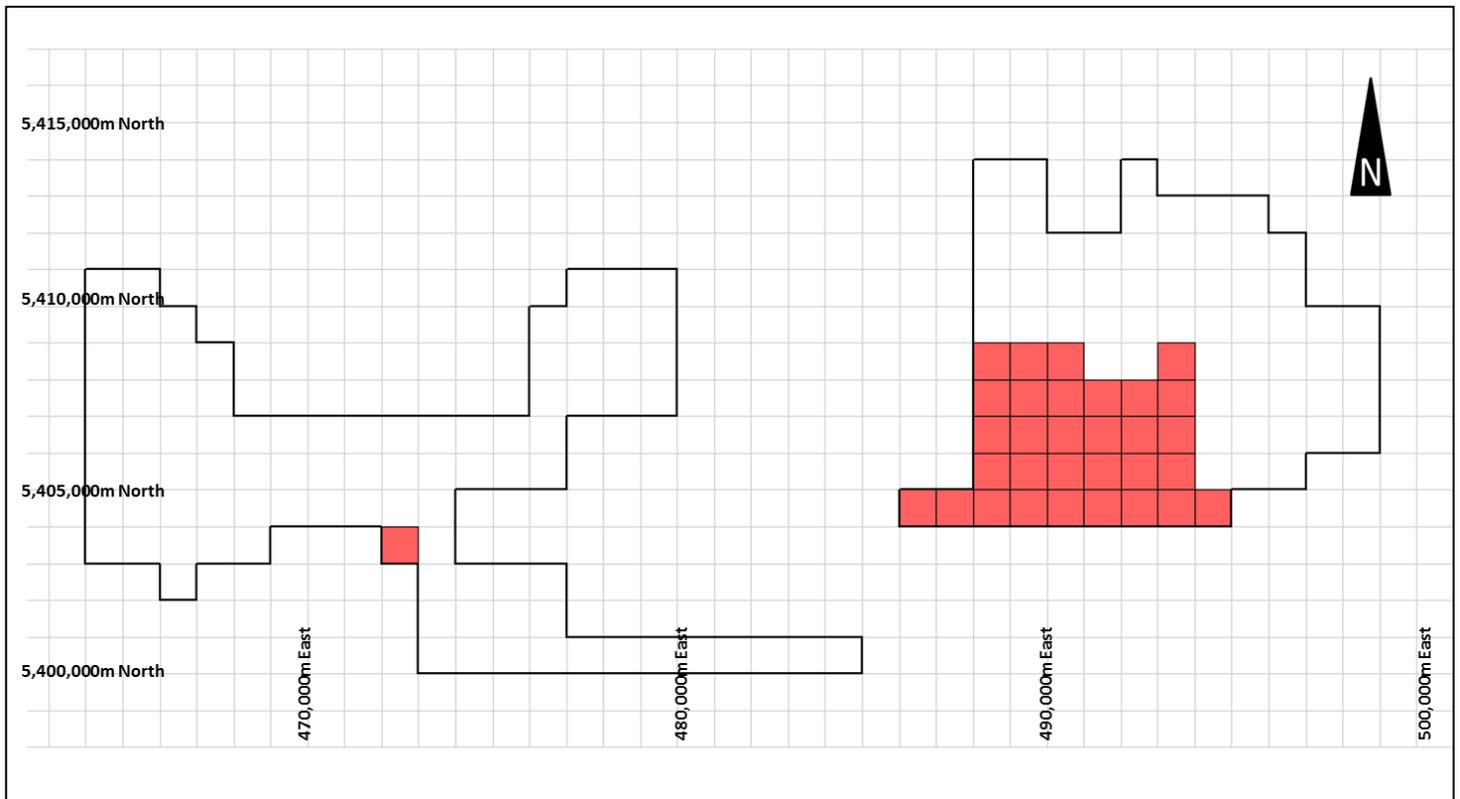
Regional Exploration Activities

Several desktop reviews have taken place in the last 12 months in order to assess and prioritise the bauxite targets across all ABx4 tenements.

The most recent review incorporating EL9/2010 “Deloraine” led to the recommendation for relinquishment of 32 km² of the licence area (see map below).

The reasons for relinquishment include:

1. Very little work has been completed in the area,
2. Work that has been completed in the area suggests that it is unlikely that any significant tonnages of bauxite occur, and/or
3. The areas consist of high-value agricultural land which would not be suitable for mining.



Map 2. Areas of EL9/2010 proposed for surrender are shaded red. The remaining area is proposed for renewal. Tenements are lying on a 1km² MGA94 grid.

5 DISCUSSION OF RESULTS

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The work mentioned in 2. above was the traversing of public roads by 4WD vehicle . During these traverses no bauxite outcrops were observed.

6 CONCLUSIONS AND RECOMMENDATIONS

The potential for economic extraction of bauxite within the relinquished areas appears minimal. ABx4 proposed to relinquish 32 sq km of the EL9/2010 tenement in order to focus on more prospective areas.

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7 ENVIRONMENT

Surface Disturbing Operations:

No surface disturbing activities have occurred in the relinquished areas. Only desktop reviews and the traversing of public roads occurred.

Surveys (archaeological, botanical):

No surveys were undertaken over the areas being relinquished.

Rehabilitation:

No rehabilitation was required as no surface disturbing activities were undertaken

8 REFERENCES

Miss S.E. Close, Feb 1970, Scintillometer Search for Bauxite, Northwest Tasmania, *CRA Exploration Pty Limited*

Miss S.E. Close, June 1971, Final Report on Bauxite Search, Devonport E.L. 36/70 Tasmania, *CRA Exploration Pty Limited*

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