

2nd Partial Relinquishment Report

for

EL 37/2010 – Westbury

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1 ABSTRACT

Objective:

Exploration Licence (EL) 37/2010 “Westbury” 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 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 bauxite 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. Drill testing of zones with best potential defined by work under 1, 2. and 3, by an RC drill rig mounted on a light 12 tonne truck to get samples representing the whole bauxite profile.
5. Systematic drill testing at close spacings to obtain data for resource estimation in the best target areas defined by programme under 4.

Results:

The works done on the Bracknell and Birralelee Rd target areas to date – limited field work and one day of drilling at Bracknell and limited field work at Birralelee Road – led to discoveries of only very small quantities of bauxite that would not be considered economical for extractive purposes.

Of the 15 holes drilled in the Bracknell Target Area for 142 metres, only one metre contained bauxite and it was of low-grade. The bauxite sampled on the Glen-Avon Property to the west of Birralelee Road was sub-marginal grade and did not have much spatial extent.

No work was done in either Bracknell or Birralelee Rd areas in the past 12 months.

2 INTRODUCTION

Exploration Rationale

Exploration Licence (EL) 37/2010 “Westbury” 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 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 37/2010 “Westbury” was granted on and from 7 November 2011 for a period of 5 years to ABx4 Pty Ltd, a wholly-owned subsidiary of Australian Bauxite Limited (ABx) (ASX:ABX).

The original licence area of EL 37/2010 was 218 km², however, ABx4 surrendered 39 km² of the tenement 2012 and another 72 km² in 2013, bringing the current total tenement area to 107 km².

This Partial Relinquishment Report has been written in to support the October 2015 application to drop a further 37 km² from area of EL37/2010. This would reduce EL37/2010 to 70 km².

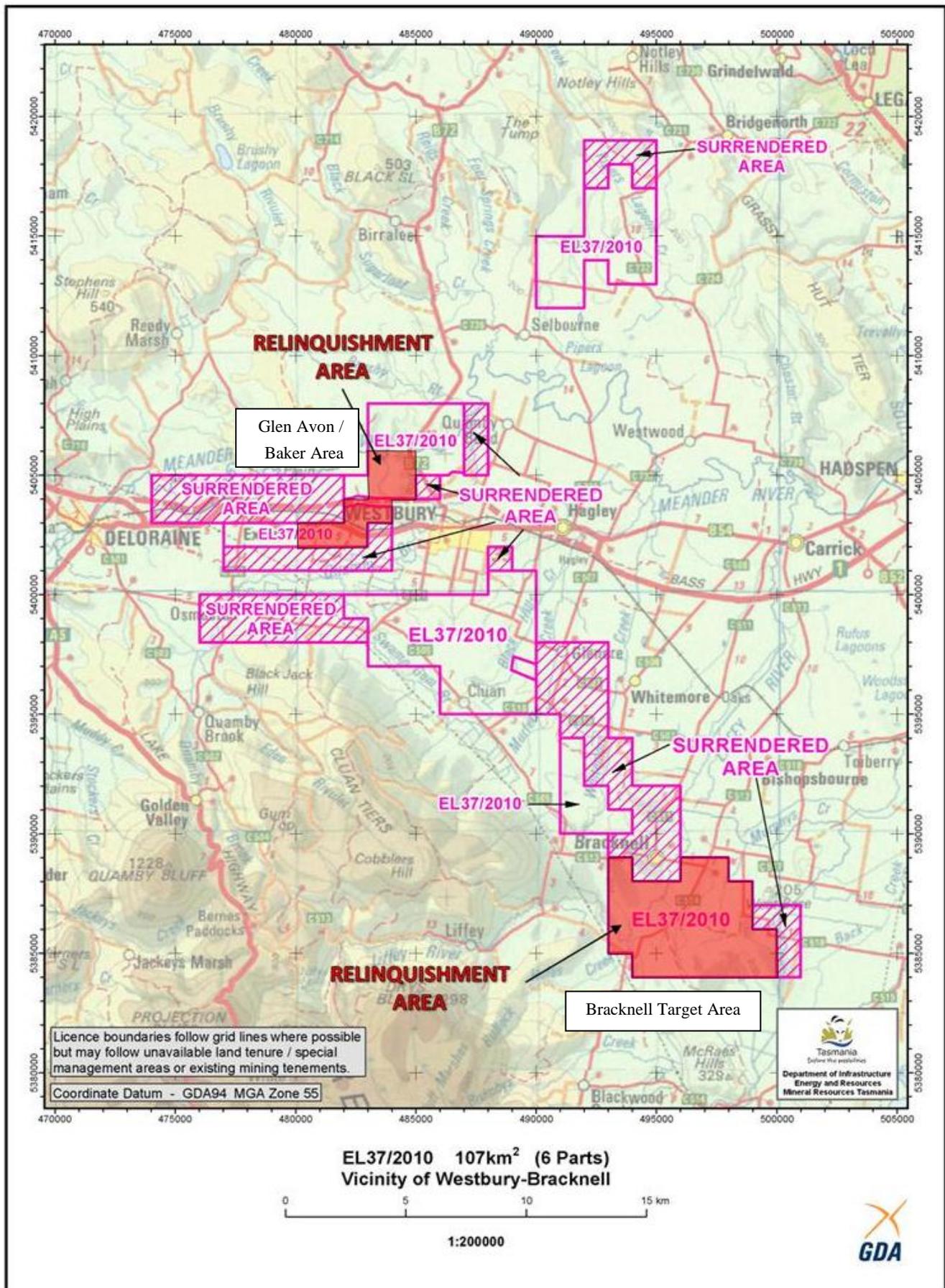
Tenure, including joint venture details and title transfers

EL 37/2010 “Westbury” is 100% owned by ABx4 Pty Ltd (“ABx4”). ABx4 is a wholly-owned subsidiary of Australian Bauxite Limited.

Location

The Westbury tenement is centred on the town of Westbury and is approximately 68km from Bell Bay and 114km from Burnie which are both large operation ports. There is also a railway siding just south of Hagley next to the highway and away from residential areas. The Westbury tenement is ideally located for both rail and road transport to the port.

The majority of the land usage in the Westbury tenement is Plantation, natural forest and agricultural land with land categories 3-6. Gaining access to farming properties has been mostly successful; with all but one of the landowners contacted by ABx4 allowing exploration on their land.



Map 1. EL 37/2010 "Westbury" (1) original tenement outline (outer pink outline), (2) previously relinquished areas (pink shaded region) and (3) areas currently proposed for relinquishment (red shaded region).

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

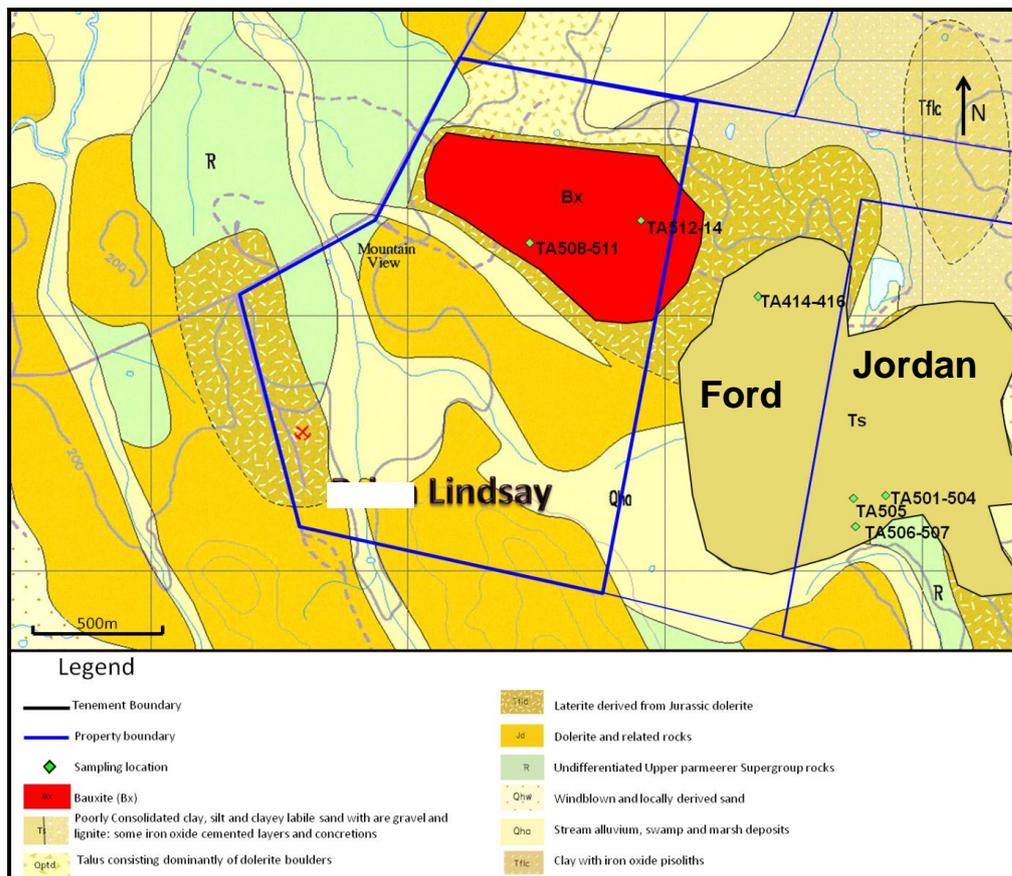
- H.B. Owen, 1954, Bauxite in Australia, Bulletin 24

Proposed Relinquishment Area

Bracknell Target Area

The Bracknell Targets are located within EL 37/2010 about 2km south east of Bracknell. The target area covers low lying ridges and hills that represent the old tertiary surface. Bauxite and Laterite occur interchangeably at this level. Dolerite ridges and hills make up the high ground and also protrude through the laterite/bauxite in places.

Field reconnaissance and field sampling occurred in the Bracknell Target Area during the first year of tenure, followed by a short 1-day drilling program in the second year of tenure. No work occurred in the Bracknell area during the third or fourth (current) annual reporting periods.

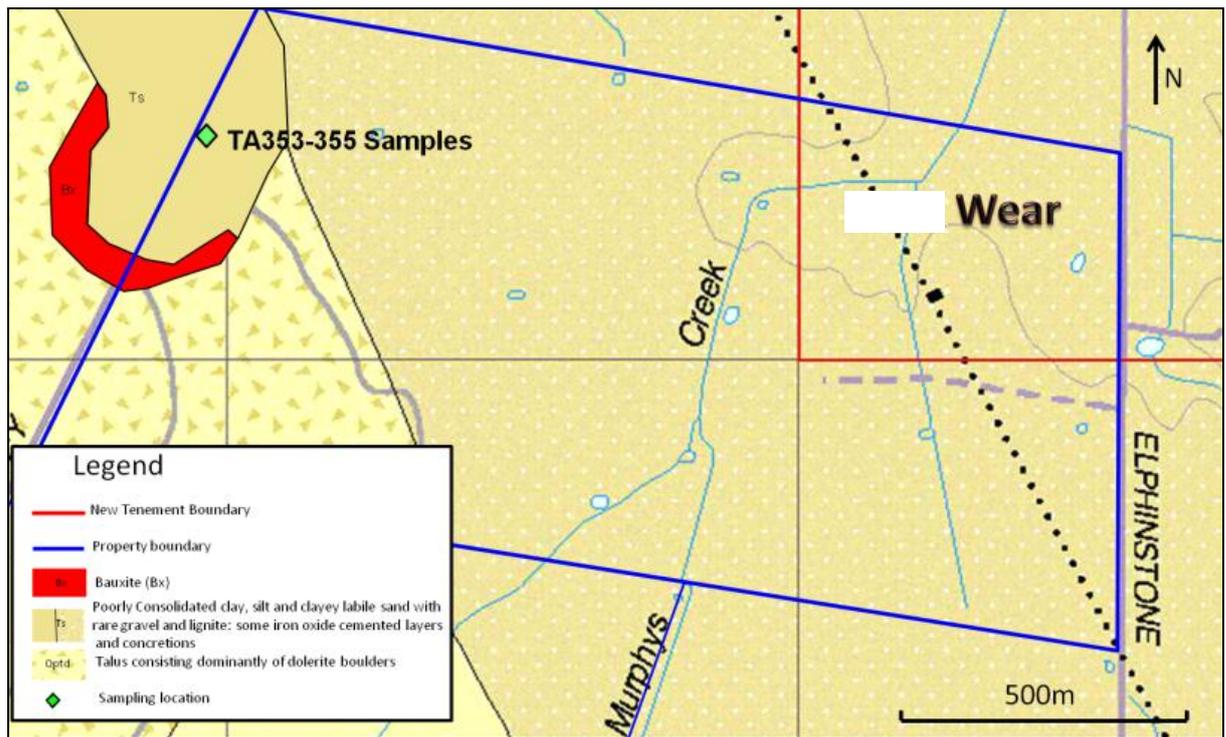


Map 2. Location of field samples collected on the Lindsay, Ford and Jordan Properties.

Table 1. Assay results and descriptions of samples collected on the Lindsay Property.

Sample_ID	Al2O3avl %	RxSiO2 %	Al2O3 %	SiO2 %	Fe2O3 %	TiO2 %	LOI %	Sample Description
TA501	1.4	6.5	8.19	47	35.4	1.84	6.93	Large clay filled wormholes- pisolitic
TA502	1.7	6.5	9.03	43.6	36.4	2.67	7.67	Reworked finely pisolitic
TA503	1.4	7.3	9.45	42.4	38.8	2.27	6.36	Clay-filled wormholes, Red/White and Black Pisolites
TA504	1.4	6.5	9.27	38.3	43.3	1.72	6.68	Red Bauxite with Black pisolites and minor clay-filled wormholes
TA505	1.6	3.3	6.27	32.8	51.3	1.84	7.09	Doleritic bauxite white/red bauxite with pisolite zones
TA506	1.4	7.2	9.5	35.8	45.4	1.68	6.94	Pisolitic bauxite with "clay filled" worm holes
TA507	1.7	7.7	11.4	30.7	46.9	1.22	9.06	Pisolitic bauxite with "clay filled" worm holes
TA508	31.1	3.4	38.2	12.9	25.4	1.66	21.33	Minor pisolitic red massive bauxite with worm holes filled with white gibbsite- taken from cemented boulder
TA509	15.1	7.1	26.7	9.21	47.2	1.05	15.15	Pisolitic red iron-rich bauxite Large cemented boulder- very hard and heavy
TA510	30.5	5.5	39	11.95	25.1	1.7	21.77	Red/beige bauxite with 1cm wormholes very pervasive less iron in sample
TA511	30.3	4.1	36.5	13.85	27.2	1.6	20.38	Red massive bauxite with minor wormholes and pisolites
TA512	19.3	6.8	28.8	18	35.3	1.17	16.08	Red massive bauxite with pisolites and wormholes. Heavy Iron-rich. Some class of quartz grit.
TA513	24	5.3	32.7	16.15	30.5	1.23	18.7	Red massive bauxite with pisolites and wormholes. Heavey Iron-rich. Some class of quartz grit.
TA514	11.4	9.7	22.6	28.7	33.9	1.38	12.76	Basal Contact Matte red/white large chunks of gravel almost mottled zone
TA515	2.9	5.9	11.35	24.1	51.9	1.2	10.67	NA
TA516	2	24.6	24	27.1	33.9	1.18	13.24	Pink Vuggy mottled zone

Leach conditions to measure available alumina "Al2O3 Avl" & reactive silica "Rx SiO2" is 1g leached in 10ml of 90gpl NaOH at 143°C for 30 minutes



Map 3. Location of field samples collected on the Wear Property.

Table 2. Assay results and descriptions of samples collected on the Wear Property.

Sample ID	Al ₂ O ₃ avl %	Rx SiO ₂ %	Al ₂ O ₃ %	SiO ₂ %	Fe ₂ O ₃ %	TiO ₂ %	LOI %	Sample Description
TA353	28.2	7.9	38.6	11.3	29.5	1.52	18.5	N-A
TA354	0.4	12.2	5.9	48.1	38.3	0.69	6.4	N-A
TA355	35.6	5.4	42	7.27	22.8	2.41	25.0	N-A

Leach conditions to measure available alumina "Al₂O₃ Avl" & reactive silica "Rx SiO₂" is 1g leached in 10ml of 90gpl NaOH at 143°C for 30 minutes

Drilling of the Bracknell Targets

Between November 2012 and March 2013 ABx4 completed drill testing of the Rosevale and Bracknell bauxite targets within the Westbury tenement. 15 holes for 142 metres were drilled in the Bracknell Target area with the goal of determining the grade and extent of bauxite in a short 1 day program.

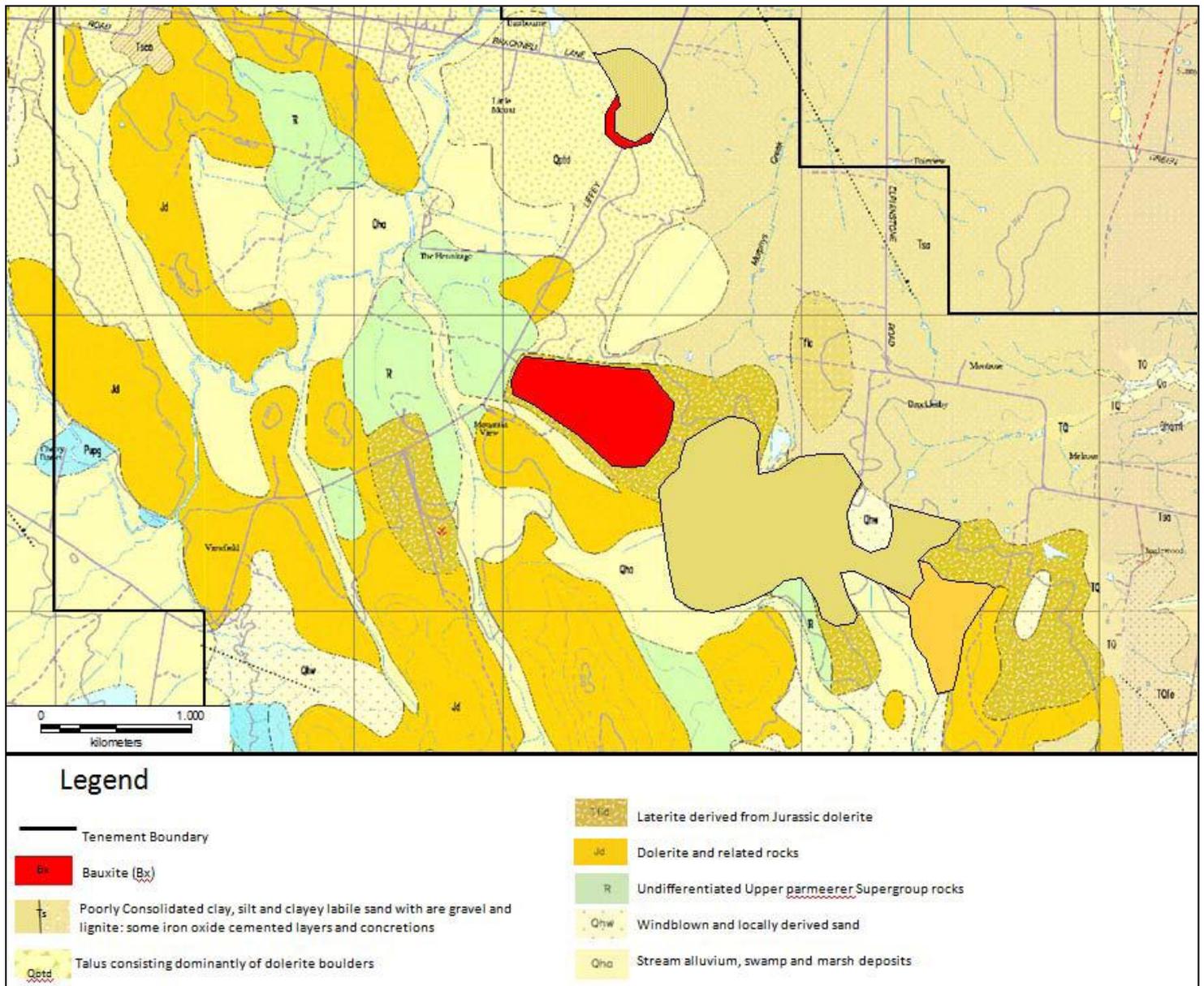
Drilling was carried out in a semi-random pattern with a spacing of 75-150m. Drilling recovery was generally good and all hole locations were surveyed at time of drilling using a hand-held GPS with an accuracy of +/- 5m.

WB046 was the only hole to intersect significant bauxite. The bauxite at Bracknell had no overburden or significant soil cover and was very thin. Drillhole depth was consistently 8-10m.

All holes were logged by the ABx geologist supervising the drilling and all samples were photographed and analysed by handheld Niton XRF on-site before selected samples were sent to ALS Laboratories for specialist analysis. 12 samples underwent sieved analysis and an additional 4 samples underwent whole (unsieved) analysis.



Figure 1 (a) top left and (b) top right. (a) The texture characteristic of the Bracknell bauxite: red haematitic bauxite with long yellow vughs. (b) Piles of hard-cap bauxite removed from the quarries around Bracknell.



Map 4. Geological map of the Bracknell bauxite area. Map is a modified version of the “Liffey” 4838 sheet of the Digital Geological Atlas 1:25000 Series to show bauxite and other units observed in the field.

Geology, Structure, Bauxite Types and Mineralogy

The Bracknell Bauxite deposit is a thin sheet of bauxite which drapes the western side of a subtle hill in the topography and has no top soil. At some stage it may have been extensive but was quarried 30yrs ago for road base to build the Poatina Rd. The bauxite layer has almost completely been removed from this area but still occurs where hard cap outcrops in the old pit floor. The Bauxite body would have been elongate in a east-west direction up to 1km long and 400m wide and dipping in a southerly direction.

At Bracknell the bauxite is massive red vuggy and haematitic, with minor PDM. It is a gibbsite-rich bauxite mostly in an amorphous phase which is often vuggy with iron-depletion around the rims of the vughs and enrichment of iron in zones between vughs. The Iron is mostly in the form of haematite, maghemite pisolites and sometimes contains goethite banding.

Grade, Sieve Yields and Tonnage

The identification of any significant bauxite tonnage at Bracknell was unsuccessful with only 1 sample above typical cut-off grade for low quality bauxite. The effectiveness of sieving could not be determined from the 3 samples that were analysed both whole and sieved. Hence no measurable tonnage is present nor can an average grade be determined. The bauxite was almost completely removed with the quarrying 30 years ago. The thickest zone of bauxite appears to the west of a small hill in the deposit where the majority of the hard cap has been stock piled and more hard cap is exposed in the pit floor.

Table 3. Main suite of assay results for drill samples analysed whole (i.e. unsieved).*

Sample ID	Whole Sample						
	Al ₂ O ₃ avl	Rx SiO ₂	Al ₂ O ₃	SiO ₂	Fe ₂ O ₃	TiO ₂	LOI
	%	%	%	%	%	%	%
WB04601	14	16.8	31.2	19.45	27.4	2.44	18.27
WB04602	23.6	12.3	36.4	14.05	25.6	2.31	20.8
WB04603	26.5	7.3	34.7	8.99	32.3	2.26	20.58
WB04604	4.8	25.9	29.5	32.1	23.1	1.22	13.37

Table 4. Main suite of assay results for drill samples analysed after being wet sieved (+0.26mm fraction).*

Sample ID	Sieved at 0.26mm							Yield +0.26mm %
	Al ₂ O ₃ avl	Rx SiO ₂	Al ₂ O ₃	SiO ₂	Fe ₂ O ₃	TiO ₂	LOI	
	%	%	%	%	%	%	%	
WB03501	2.7	16.7	20	31.6	38.2	0.9	8.36	16.7
WB03504	2.2	29.4	29.9	34	20.7	0.79	13.88	28.4
WB03601	1	11.4	10.95	49.6	32	0.71	6.29	38.6
WB03602	0.8	17.5	15.8	39.7	35.2	0.65	8.14	37.9
WB03801	1.1	11.1	12.75	50.6	30.1	0.82	5.15	42
WB04001	0.8	18.1	17.6	38.1	34.5	0.75	8.33	24.7
WB04302	2	16	18.75	28.5	42.8	0.89	8.48	31.6
WB04304	1.3	16.7	16.45	28.9	44.2	1.02	8.61	17.5
WB04401	0.3	20.8	16.65	37.8	39.4	0.82	4.77	55.3
WB04402	1.1	13.3	14.55	43	35.2	0.74	6.07	42.5
WB04403	0.4	11.4	7.38	66.4	21.4	0.35	4.08	40.3
WB04501	6.3	16	23.3	20.2	43.4	1.06	11.3	20.2
WB04601	26.6	6.8	36	15.65	27.8	1.62	18.41	61.5
WB04602	10.7	14.2	27.4	18.35	38.8	1.16	13.44	38.4
WB04603	9.7	14.9	26.4	17.85	41.8	0.92	12.09	21.4
WB04701	2.5	18.8	20.4	27	41.7	1.03	8.8	14.3
WB04901	2	14.8	17.1	20.9	51.8	0.69	8.72	30.3

Leach conditions to measure available alumina "Al₂O₃ Avl" & reactive silica "Rx SiO₂" is 1g leached in 10ml of 90gpl NaOH at 143°C for 30 minutes

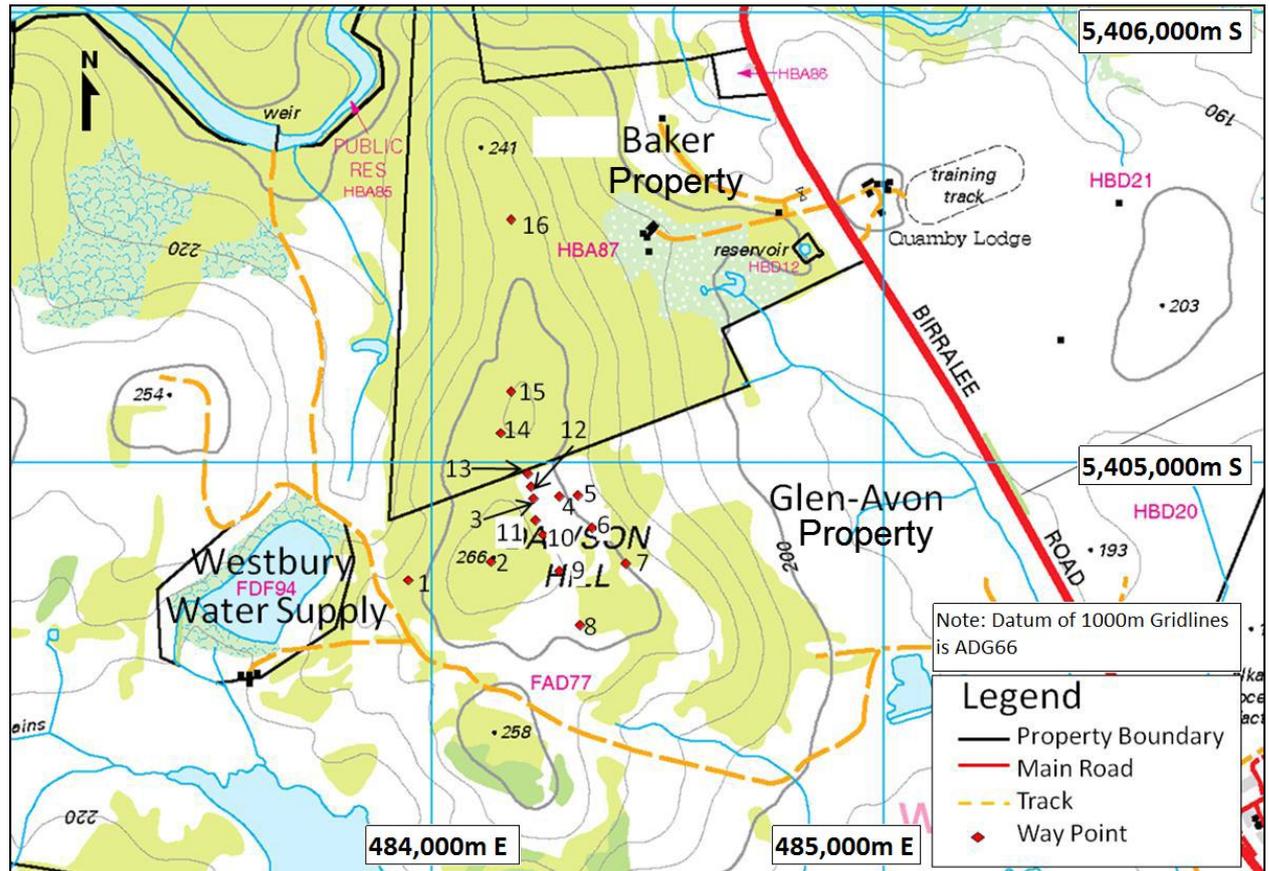
*Note: Sample numbers (e.g. 'WB03501') consist of the hole number (e.g. 'WB035') and a number indicating the base of the 1-metre sampling interval (e.g. '01', representing 0 – 1 m depth). All holes are drilled with 1m sampling intervals.

Birralee Road Targets

In the third year of tenure field work was conducted on the Glen-Avon and Baker Properties west of Birralee Road.

A small bauxite deposit was identified on the eastern side of a Dolerite ridge occurring on the Glen-Avon Property. The bauxite deposit is approximately 50mx50m of bauxite exposed at surface with no obvious potential for it to occur under cover. The deposit was not deemed to be economic.

The Baker Property to the north was also explored but no bauxite was observed. The property consisted almost entirely of Jurassic dolerite.



Map 6. Numbered waypoints from field work conducted on the Baker and Glen-Avon Properties.

Table 5. Assay results of surface samples WBP001-WBP002 (both collected from Waypoint 3).

Sample ID	Al ₂ O ₃ avl	Rx SiO ₂	Al ₂ O ₃	SiO ₂	Fe ₂ O ₃	TiO ₂	LOI
	%	%	%	%	%	%	%
WBP001	22.8	3.1	29.5	5.26	44.3	3.19	17.24
WBP002	17.2	2	27.2	5.08	53.2	2.32	11.62

Leach conditions to measure available alumina "Al₂O₃ Avl" & reactive silica "Rx SiO₂" is 1g leached in 10ml of 90gpl NaOH at 143°C for 30 minutes

Table 6. Coordinates (MGA94 Zone55, GDA94) and field observations at waypoints on Baker and Glen-Avon Properties.

WP	Sample ID	Description	North	East
1		Dolerite	5404738	483945
2		Dolerite	5404778	484130
3	WBP001-002	WBP001-002 Red bauxite (Fe Rich) with black shiny pisolites (20%) cracks filled with a yellow/grey softer material.	5404947	484219
4		Bauxite	5404924	484282
5		Mottled Zone	5404927	484323
6		Dolerite	5404854	484356
7		Dolerite	5404775	484429
8		Dolerite	5404637	484329
9		Dolerite	5404758	484280
10		Dolerite	5404838	484246
11		Bauxite contact	5404870	484230
12		Centre of Bauxite deposit	5404920	484224
13		Dolerite	5404975	484211
14		Dolerite	5405066	484151
15		Dolerite	5405158	484174
16		Dolerite	5405541	484174

5 DISCUSSION OF RESULTS

The works done on the Bracknell and Birralelee Rd target areas to date – limited field work and one day of drilling at Bracknell and limited field work at Birralelee Road – led to discoveries of only very small quantities of bauxite that would not be considered economical for extractive purposes.

Of the 15 holes drilled in the Bracknell Target Area for 142 metres, only one metre contained bauxite and it was of low-grade. The bauxite sampled on the Glen-Avon Property to the west of Birralelee Road was sub-marginal grade and did not have much spatial extent.

No work was done in either Bracknell or Birralelee Rd areas in the past 12 months.

6 CONCLUSIONS AND RECOMMENDATIONS

The works done on the Bracknell and Birralee Rd target areas to date – limited field work and one day of drilling at Bracknell and limited field work at Birralee Road – led to discoveries of only very small quantities of bauxite that would not be considered economical for extractive purposes.

Due to these areas being of relatively low prospectivity they have been recommended for relinquishment.

7 ENVIRONMENT

Surface Disturbing Operations:

ABx4's surface disturbing operations are generally minimal.

Surface sampling does not result in any ground disturbance; however, RC Drilling leaves a ~90mm-diameter hole in the ground. These holes are rehabilitated immediately after drilling (see below).

Surveys (archaeological, botanical):

A botanical survey was conducted by Philip Milner Consultant Pty Ltd within the Bracknell area (see relevant appendix).

Rehabilitation:

RC drillholes are rehabilitated by capping the hole at 1.5m depth using an "OctoPlug" and refilling the remaining hole with innocuous drillhole material and/or any excess soil.

All holes were rehabilitated completely and to the satisfaction of the landholder.

8 REFERENCES

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

T. Coyte, First Annual Report on EL37/2010 Westbury, 31 October 2012, ABx4 Pty Ltd

T. Coyte, Second Annual Report on EL37/2010 Westbury, 23 October 2013, ABx4 Pty Ltd

T. Coyte, Third Annual Report on EL37/2010 Westbury, 3 October 2014, ABx4 Pty Ltd