

Partial Relinquishment Report

For

EL16/2012 – Reedy Marsh

Period of Tenure: 16 June 2013 – 15 June 2018

Licence Holder: ABx4 Pty Ltd

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ABSTRACT

Objective:

Exploration Licence (EL) 16/2012 “Reedy Marsh” was applied for in order to facilitate an exploration program to discover economically viable deposits of bauxite associated with Tertiary Volcanics and Jurassic Dolerite, 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 silica, loss on ignition and other analyses as required in the 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 Mitsubishi truck to get samples representing the whole bauxite profile.
5. Systematic drill testing at close spacing's to obtain data for resource estimation in the best target areas defined by programme under 4.
6. Mine-ability study of Tasmanian bauxite using a small excavator to dig bauxite and screen test on a larger scale.

Results:

Unfortunately no on-site work occurred during the full period of tenure. Main public roads may have been driven down by geologists but no formal observations were ever recorded nor were samples collected.

INTRODUCTION

Exploration Rationale

ABx4 Pty Ltd - the holder of Category 1 Exploration Licence EL 16/2012 - is the wholly owned subsidiary of Australian Bauxite Ltd. Australian Bauxite Limited (ABx) (ASX: ABZ) is an exploration company that holds the core of the Tasmanian Bauxite Province with all tenements selected on 3 principles:

- Quality – good quality bauxite with potential for significant resource tonnages;
- Proximity – easy access to infrastructure connected to export ports; and
- Accessibility – free of socio-environmental or native title land constraints.

EL 16/2012 “Reedy Marsh” was applied for in order to facilitate an exploration program to discover economically viable deposits of bauxite associated with Tertiary Volcanics and Jurassic Dolerite 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 are thought to form either as ‘grouped remnants of former continuous sheet’ or ‘formed in lenticular or pod shaped bodies in localised depressions’. This generally occurs in areas with high water flow and low erosion where the old surface has been preserved.

In EL16/2012, the majority of bauxite targets are hosted in Jurassic Dolerite, however, some bauxite derived from Tertiary Volcanics could also be present.

The Reedy Marsh tenement borders the ABx4 Pty Ltd “Deloraine” (EL 9/2010) tenement where recent exploration at the “DL-130” target has led to intersections of thick and high grade bauxite.

Tenement Information

EL 16/2012 “Reedy Marsh” was granted to ABx4 Pty Ltd (“ABx4”) on 16 June 2013 for a period of 5 years ending on 15 June 2018. Total area of the original licence is 109 km².

ABx4 has applied to relinquish 85 km² of the tenement area and renew the remaining 15 km² for an extended 12-month term.

This is the second Partial Relinquishment Report for EL16/2012 incorporating the results of all work completed on the 85 km² area over the five-year period 16 June 2013 to 15 June 2018.

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

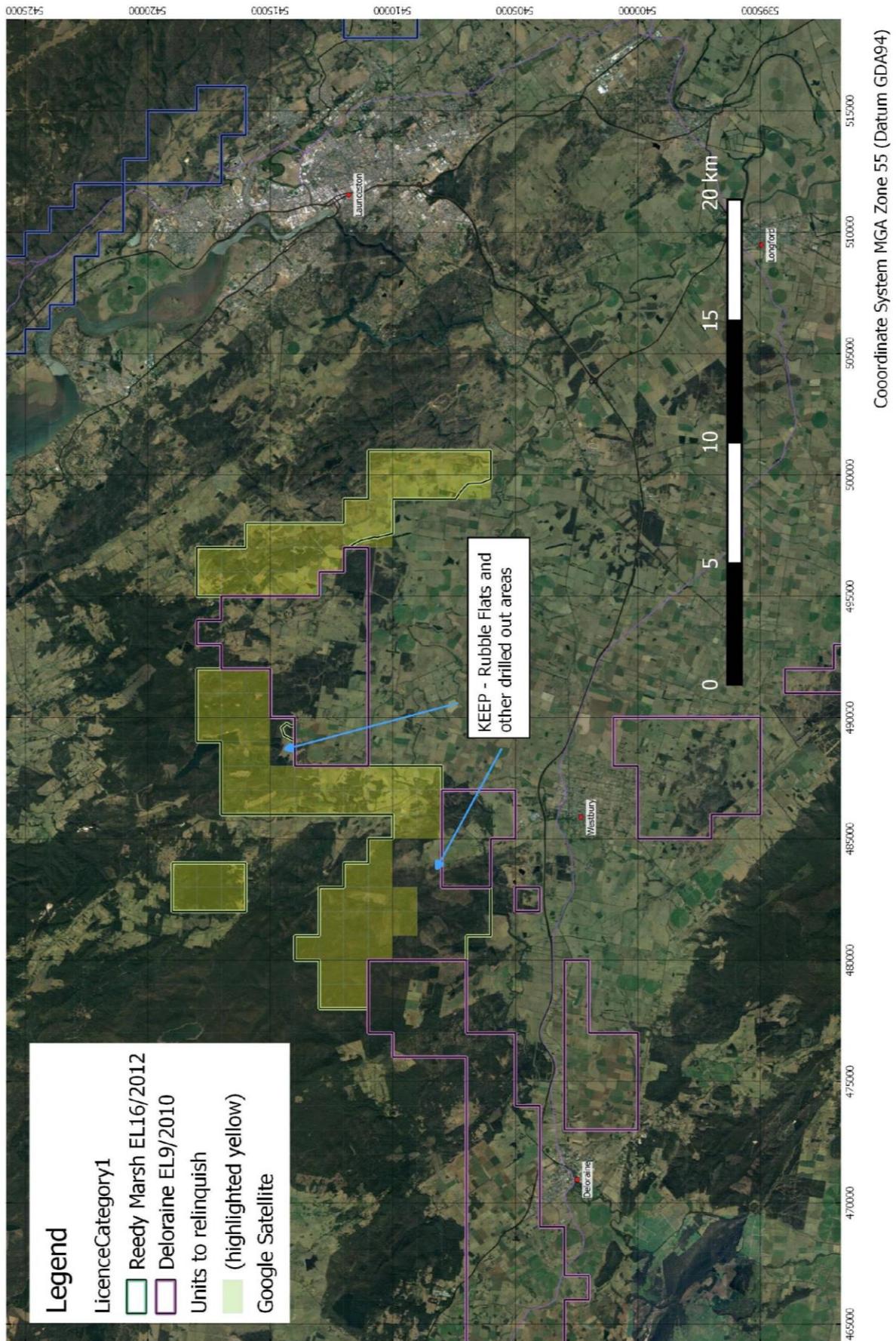
Tenure, including joint venture details and title transfers

EL16/2012 “Reedy Marsh” is 100% owned by ABx4, a 100% owned subsidiary of Australian Bauxite Limited.

Location

The Reedy Marsh tenement area is composed of three main land parcels. The large southwest parcel is located just to the North of the Bass Highway connecting Exton and Hagley. The eastern parcel (dissected by a north-south-running Gas Pipeline Corridor) is located 1.3 km east of Rosevale and extends to the south-east towards Westwood. The small north-east parcel is located ~2km NW of Birralee along Birralee Rd. The tenement area is only located approximately 35 km south of the large operating port at Bell Bay.

The main land category in the tenement area is private land (incl. forestry operations), with other land categories including National Parks, Forest Reserves, and Conservation areas.



Map 1. Location map of EL 16/2012 "Reedy Marsh" showing the 85km² area currently proposed for relicquishment (shaded yellow).

1 EXPLORATION COMPLETED OVER THE PERIOD OF TENURE

Unfortunately no on-site work occurred during the full period of tenure. Main public roads may have been driven down by geologists but no formal observations were ever recorded nor were samples collected.

Regional geological maps were put together in previous annual reports but these did not give any particular insights in these areas that would be useful for future explorers (MRT Geological Maps are open source).

2 CONCLUSIONS AND RECOMMENDATIONS

No no-site work occurred in the areas that are the subject of this report.

These areas were relinquished because they were low-priority for future exploration and were not considered worth the substantial financial costs of retaining.

Conclusions on the Nature of Mineralisation

Unfortunately due to the lack of on-site work in the relinquished areas the nature of bauxite mineralisation throughout the relinquished areas remains largely unknown.

However, much of these areas have been mapped by the Tasmanian Geological Survey as Tertiary Volcanics or Jurassic Dolerite which are suitable parent rocks for bauxite mineralisation. Therefore it is likely that some bauxite occurs in these areas but whether or not it occurs in quantities that are economically feasible to mine is largely unknown and remains to be tested by future explorers.

3 ENVIRONMENT

Surface Disturbing Operations:

No surface disturbing activities were completed in the relinquished areas.

Surveys (e.g. fauna, flora, heritage)

No surveys were undertaken in the relinquished areas.

Rehabilitation

No rehabilitation works were undertaken or required in the relinquished areas.

4 REFERENCES

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