BAUXITE RESOURCES LIMITED

59% INCREASE IN RESOURCE AT ATHENA DEPOSIT IN DARLING RANGE, WA

Highlights:

- **BRL/HDM JV Athena resource now stands at: 36.2Mt @ 32.8% low temp available alumina (41.8% total) and 2.8% reactive silica**
- **Resource is near surface, displaying a bauxite zone up to 13m**
- **Close to existing bauxite state agreement areas**
- **BRL/HDM JV resources now totals 87.8Mt**
- **Eastern Darling Range emerging as a new bauxite district for BRL/HD Mining**
- **Under BRL/HDM JV, HDM is to pay 100% of exploration costs to earn up to a 60% interest in resource**

Bauxite Resources Limited (ASX:BAU) ("BRL" or the "Company") is pleased to announce a resource update for the BRL/HD Mining joint venture Athena bauxite deposit in the Darling Range, Western Australia.

The exploration project areas are contained within the Company's joint venture agreement with HD Mining & Investments Pty Ltd, ("**HDM**") the wholly owned subsidiary of Shandong Bureau No.1 Institute for Prospecting of Geology & Minerals ("**Shandong**").

Under the BRL/HDM joint venture arrangements**,** HDM will earn a 40% participating interest in a specific resource after making a binding commitment to undertake a feasibility study on that resource. In addition, HDM will earn another 20% participatory interest in that resource after completion of a feasibility study and a decision to mine.

Up until decision to mine, HDM are fully funding exploration activities. BRL retains 100% interest in other minerals for these exploration licences.

Athena is located on a number of private land holdings on exploration licences E70/3180 and E70/3890, between the townships of Wandering and Pingelly, approximately 120km southeast of Perth. The Company currently has exploration access agreements in place. A mining access agreement and the grant of a mining lease will be required for mining to occur.

The previous resource estimate announced in April 2014 stood at 22.7Mt at 33.3% available alumina, with the current upgrade resulting from the drilling of an additional 152 vacuum holes during April and May 2014 (see Figure 2 for drill hole locations). The resource is shallow and displays bauxite up to 13m thick (average 3m).

Table 1: Total Athena Resource Classification

JORC classification	Quantity (Mt)	Al_2O_3 % (total)	Al_2O_3 % (available at 148°)	SiO_2 % (total)	SiO_2 % (reactive at 148°)
Inferred	36.2	41.8	32.8	18.1	2.8
Total	**36.2**	**41.8**	**32.8**	**18.1**	**2.8**

Note - all grades are unbeneficiated

DATE: 15 July 2014

ASX Code: BAU

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BRL CEO Peter Canterbury commented on the upgrade, "This is a great result for our joint venture with HD Mining. We have recently identified two new potential project areas under the HD Mining joint venture, Dionysus in the northern Darling Range, and Athena in the eastern Darling Range."

"Athena is situated approximately 20km north of the 15Mt Ceres resource announced in July 2012. Both resources are located in the eastern Darling Range and within the HD Mining JV. Combined the two resources total 51Mt and indicate to us that this may emerge as a new bauxite district."

"As recently announced, we have commissioned a scoping study and market evaluation investigation for our 100% owned Fortuna project which are due for completion in September 2014. It is envisaged many of the outcomes will also apply to Athena and Dionysus, placing us in a good position to explore the possible development of the HD projects. Our priority for now is on Fortuna, but BRL is delighted to be building a pipeline of bauxite projects."

"A further attraction of Athena and Dionysus is that under the farm-in arrangements, HD Mining fund 100% of all exploration and feasibility study works for a maximum 60% interest in the resource," Mr Canterbury added.

Resource Details

The Athena resource estimate is based on two phases of vacuum drilling completed in January 2014 and April/May 2014. Holes were drilled at a nominal 160m x 160m spaced grid pattern, with a small number at 320m x 160m (see Figure 2 for all hole locations).

The resource consists of 4 deposits, located on private landholdings. The Athena1 deposit is comprised of five mineralised lodes which have been interpreted across a strike length of 5.4km. The Athena2 deposit is comprised of five mineralised lodes, across a strike of 1.9km. Athena3 deposit is comprised of three mineralised lodes across a strike length of 2.4km and remains unchanged from the previous resource estimate. Athena4 is comprised of two lodes across 2km strike length.

The geological setting is laterite over a predominantly granitic basement with mineralisation occurring as flat lying to slightly undulating zones formed by the weathering of basement rocks. The deposit is similar in style to many other bauxite deposits in the Darling Range. The resource comprises a bauxite horizon up to 13m thickness (average 3m). The current resource estimate, completed by RungePincockMinarco (RPM), was based on drilling from 367 vacuum holes completed for 2,102m, of which 198 of the holes intersected bauxite. See figure 2 for all drill hole locations, including those which intersected bauxite mineralisation. Vacuum samples were collected at 0.5m intervals. All holes were drilled vertically, with intersected thicknesses considered as true thickness, given the relatively flat lying nature of mineralisation.

Whole samples were taken when sample return was less than 2kg, with those greater than 2kg split with a twin riffle splitter. All samples within the resource were analysed by low temperature caustic (148°C) digest (BOMB) and ICP-OES analysis using 1.0 ± 0.04g samples to determine available alumina and reactive silica. Fourier Transform Infra-Red (FTIR) spectroscopy was utilised to determine total Al_2O_3, Fe_2O_3, SiO_2, TiO_2 and a variety of trace elements, with 10% of samples analysed by X-Ray Fluorescence (XRF) spectrometry to verify results. Results reported as available alumina and reactive silica represent low temperature digestion analyses.

Wireframes for the resource study were generated using cross sectional interpretations based on mineralised envelopes constructed using down hole geochemistry and associated lithological logging. Inverse distance to the power two (ID^2) was used to estimate the Athena resource. Full details are attached below.

The selected cut-off grade at Athena (25% available alumina) results in a resource grade (32.8%) comparable to that currently economically mined elsewhere in the Darling Range, and as such is believed to be viable for alumina refining. The resource estimate has been reported with a reasonable degree of confidence with continuity implied rather than verified, meeting the criteria of Inferred Mineral Resource.

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Figure 1: Bauxite Resources Ltd Tenement Holding

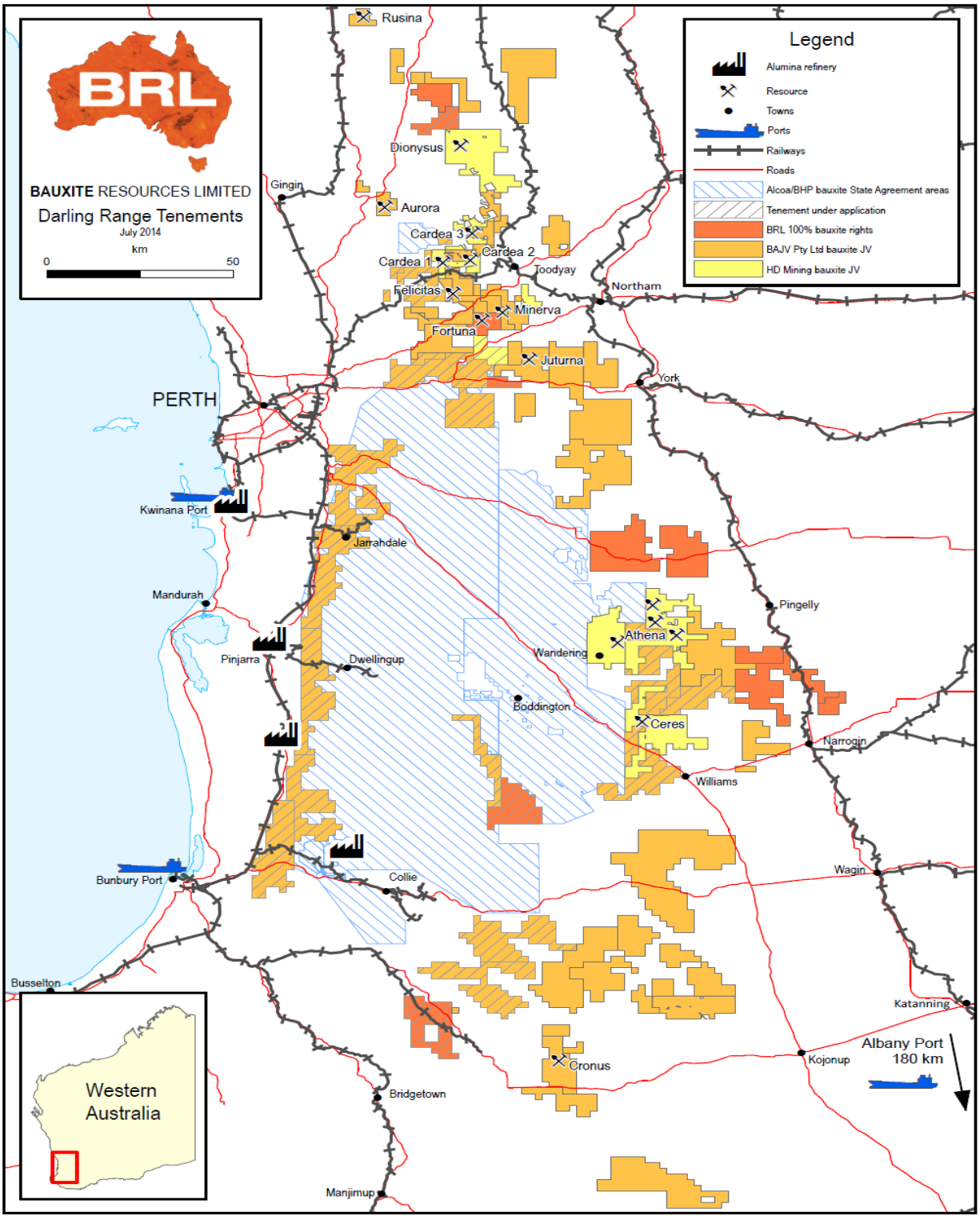
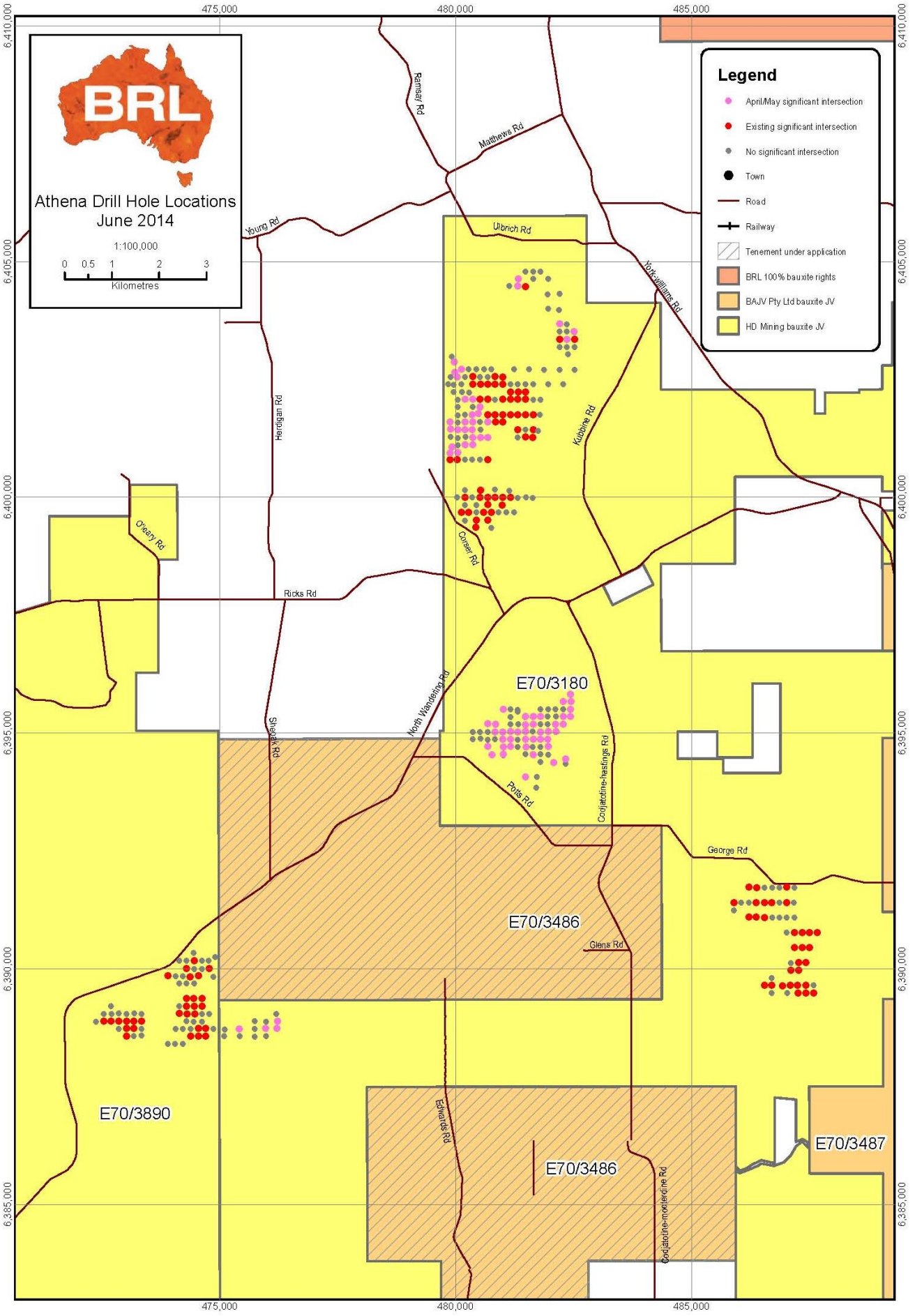


Figure 2: Athena Resource drill hole location map



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COMPETENT PERSON STATEMENT

The information in this report that relates to the **Athena and Ceres** Mineral Resources is based on information compiled by Graham de la Mare who is a Member of the Australian Institute of Geoscientists. Mr de la Mare is employed by RungePincockMinarco (RPM). Mr de la Mare has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr de la Mare consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this announcement that relates to **Exploration results** is based on information compiled by Mark Menzies, who is a member of the Australian Institute of Geoscientists. Mr Menzies is a qualified geologist and a full time employee, and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Menzies has consented to the inclusion in this announcement of the Exploration Information in the form and context in which it appears.

JORC Code Compliant Public Reports

The Company advises that this material may contain summaries of Exploration Results and Mineral Resources as defined in the 2012 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code). The JORC compliant Public Reports released to the ASX declaring exploration results or JORC resources referred to can be viewed on both the ASX and the Company websites, free of charge.

The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimate in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not materially modified from the original market announcement.

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JORC list of reporting criteria for Athena resource, reported under 2012 reporting guidelines

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• All sampling at Athena was conducted using Vacuum drilling (VAC) methods. • Samples were taken at even 0.5m intervals, with no compositing. Vacuum samples were collected at 0.5m intervals. • Whole samples were taken when sample return was less than 2kg. A twin riffle splitter was used for samples weighing more than 2kg, with one split collected in a calico bag for analysis and the remainder dropped on the ground. Sampling and QAQC procedures were carried out to industry standards.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• All drilling was undertaken using a tractor mounted vacuum drill rig utilising a 45mm drill bit.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• All samples were weighed. This provides an indirect record of sample recovery. Approximate sample weights of between 1kg and 5.6kg were recorded with an average sample weight of 2.4kg. • VAC drilling is widely accepted as a sampling method of bauxite. All VAC samples were visually checked for recovery, moisture and contamination. • No relationship exists between sample recovery and grade.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• All holes were field logged by company supervised geologists. Weathering, lithology, alteration and mineralogy information were recorded. • No diamond core was drilled. • All drill holes were logged in full. • Logging was qualitative in nature.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*	• No diamond core was drilled. • All 0.5m VAC samples were collected at the rig. Typically, entire samples were analysed, however those weighing more than 2kg were split using a twin riffle splitter (50:50) used at the rig. All samples were dry. • Samples were submitted to Nagrom Laboratories in Perth for a variety of analysis techniques. Samples at Nagrom were dried in a convection oven for 12 hours at 105°C. Dried samples were weighed to determine that they were less than 2kg and any overweight samples were crushed to -6.3mm if necessary then split to less than 2kg. Samples were then pulverised in a vibrating disc LM-5 pulveriser to produce a 150µm

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Criteria	JORC Code explanation	Commentary
		pulp. These pulps were split into 100g samples for retention and analysis. These techniques are appropriate for this type of deposit.
	• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*	• Field QC procedures involved the use of certified reference materials (1 in 40), and field duplicates (1 in 20 for samples >2kg in weight). The field duplicates have accurately reflected the original assay. Recognised laboratories have been used for analysis of samples.
	• *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.*	• The standard sampling procedure used by BRL is to submit the entire sample to Nagrom for analysis. Samples are only split at the rig when the sample weight exceeds 2kg. A twin riffle splitter is used to collect a sample for analysis with the remainder dropped on the ground. Field duplicates are collected from these split samples at a rate of 1:20
	• *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Sample sizes are considered appropriate to correctly represent the bulk tonnage mineralisation based on: the style of mineralisation, the thickness and consistency of the intersections, the sampling methodology and assay value ranges for bauxite.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	• Samples were analysed at Nagrom Laboratory in Perth by Fourier-Transform Infrared (FTIR). Samples returning greater than or equal to 23% available alumina underwent low temperature caustic analysis (148°) bomb digestion (BOMB) for analysis by ICP-OES using 1.0 ± 0.04g samples to determine available alumina and reactive silica. FTIR was used to determine total Al_2O_3, Fe_2O_3, SiO_2, TiO_2 and a variety of trace elements, with 10% of samples returning greater than 23% available alumina validated by X-Ray Fluorescence Spectroscopy (XRF)
	• *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.*	• No geophysical tools were used to determine any element concentrations used in this resource estimate.
	• *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Laboratory QAQC includes the use of internal standards using certified reference material, laboratory duplicates and pulp repeats. The field duplicates have accurately reflected the original assay. Certified standards have generally reported within acceptable limits although bias in the FTIR results show the need for careful calibration when using this analytical technique. The QAQC results confirm the suitability of the drilling data for use in the Mineral Resource estimation.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.*	• The BRL logging process involves placing drill samples for each 0.5m interval into chip trays which are then photographed to provide a permanent record of the down hole lithology. Mr. Mark Menzies, Exploration Manager for BRL, verified the significant intersections by comparing the returned assay results to the photographs of the chip trays. Significant intersections are calculated independently by the BRL exploration manager and project manager
	• *The use of twinned holes.*	• No twin holes were drilled.
	• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*	• BRL geologists logged all drill samples at the rig, with a minimum logging interval of 0.5m. Regular chip-tray samples were collected as permanent physical records for audit and validation purposes, and all holes photographed for future reference and reconciliation of assay results with geology. All logging data was captured in digital logging devices to

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Criteria	JORC Code explanation	Commentary
	• *Discuss any adjustment to assay data.*	ensure consistency of coding and minimise data entry errors. Logging is described using the BRL Bauxite Logging Codes preloaded into the data logger. • Assay values that were below detection limit were adjusted to equal half of the detection limit value. Intervals with no samples were left blank in the database.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• The majority of drill holes have been accurately surveyed in MGA grid co-ordinates. A total of 33 holes have nominal co-ordinates and were located using a handheld GPS. Down hole surveys have not been taken as drill holes are all less than 21.5m in depth and drilled vertically through the predominantly flat lying laterite. • Collars have been located in UTM, MGA94, Zone 50K co-ordinates. • Topographic surface based on Landgate topography series containing 5m contour data. This was supplemented by using RTK surveyed points and drill hole collars recorded by BRL.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• The nominal drill hole spacing is 160m by 160m with some wider spaced areas of 320m by 160m (mainly at Athena3). • The drill hole spacing is considered sufficient to establish both geological and grade continuity appropriate for the Mineral Resource procedure and classifications applied. • All samples were taken at even 0.5m intervals and no compositing has been applied.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Drill holes are drilled vertical, which is approximately perpendicular to the orientation of the flat-lying mineralisation. • No orientation based sampling bias has been identified in the data.
Sample security	• *The measures taken to ensure sample security.*	• Chain of custody is managed by BRL. Samples are stored on site prior to being trucked to Nagrom in Perth by courier. BRL employees have no further involvement in the preparation or analysis of the samples.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• The BRL Project Manager and Exploration Manager frequently visited site during drilling operations. On each occasion sample collection and geological logging was found to be in accordance with the Company's internal 'Vacuum Drilling Sampling Guideline'.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings*	• The drilling was completed entirely within two exploration tenements, E70/3180 and E70/3890. The area is contained within the Company's joint venture with HD Mining & Investments Pty Ltd, (HDM) the wholly owned subsidiary of Shandong Bureau No.1 Institute for Prospecting of Geology & Minerals (Shandong). Under the BRL-HD Mining Joint Venture arrangements, HDM is currently working towards obtaining 60% interest in the bauxite rights of several tenements wholly owned by BRL. HDM are fully funding exploration activities with 40% interest triggered if HDM enters into a binding commitment to undertake a feasibility study on the tenements and an additional 20% upon decision to mine. BRL

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Criteria	JORC Code explanation	Commentary
	• *The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.*	maintains 100% interest in other minerals. • The resource identified is located on freehold land with exploration access agreements in place. A mining access agreement and the grant of a mining lease will be required for mining to occur. BRL are not aware of any impediment to the future grant of a mining lease.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Bauxite was identified in the greater region by Pacminex Pty Ltd in the period 1968-1975 by drilling of several target areas.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Bauxite intersected is typical of that seen in number of Darling Range deposits, representing a profile of weathering and alteration, of apparently in-situ material, separated by a thin clay or saprolite interval from the underlying ancient granite and gneiss of the Yilgarn Craton. Resultant bauxite zones occur as flat lying tabular bodies, often pod like in nature.

Drill hole information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  • *easting and northing of the drill hole collar*
	  • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  • *dip and azimuth of the hole*
	  • *down hole length and interception depth*
	  • *hole length*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• Exploration results are not being reported.
		• All drill collars and significant drill hole locations appear in figure 2 of the market announcement. All holes were drilled vertically.
		• All drill collars including those intersecting significant bauxite are displayed in Figure 2 of the market announcement.

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Exploration drill results are not being reported. • No aggregation carried out as all sampling at even 0.5m intervals. • Metal equivalent values are not being reported.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g.'down hole length, true width not known').*	• All drill holes are vertical and intersect the tabular, flat lying mineralisation orthogonally, and represent close to true thickness.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• A plan showing Athena drilling appears in the market announcement.
Balanced Reporting	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration*	• 90% of the vacuum drill holes at Athena were accurately surveyed to 0.05m using RTK survey methods. • Exploration results are not being reported.

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Criteria	JORC Code explanation	Commentary
	Results.	
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples - size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• No other exploration data other than vacuum drill samples have been collected at Athena.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large- scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Infill drilling is planned to improve the confidence in geological and mineralisation continuity, and to more accurately define the margins of the intersected lodes.

Section 3 Estimation and Reporting of Mineral Resources

Criteria	JORC Code explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	• The database is validated by rOREdata before sending to BRL geologists. All drill logs are validated digitally by the database geologist once assay results are returned from the laboratory. • RPM also performed data audits in Surpac and checked collar coordinates, down hole surveys and assay data for errors. No errors were found.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• A site visit to Athena has not been conducted by RPM. • It is not considered necessary as Mr. de la Mare visited the Felicitas deposit in November 2011 whilst employed by BAJV. The Felicitas deposit is similar in nature to the Athena deposits and is located approximately 100km north of the Athena deposits. The same vacuum drill rig as used to drill the Athena deposits was in operation at the time of the site visit, and drill hole logging and sampling was viewed.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	• The confidence in the geological interpretation is considered to be good. The geological setting is laterite overlying granitic basement. The bauxite mineralisation is related to the weathering of granite or mafic rocks. The deposit is similar in style to many bauxite deposits in the Darling Range. • Geochemistry has been used to assist identification of the rock type applied in the interpretation process. Continuity between wide spaced drill holes over undulating terrain requires the use of interpreted points to model the bauxite lodes below the topographic surface. The assumption has been made by RPM that the lodes are of reasonably consistent thickness between the drill holes and that the lodes follow the contours of the topographic surface. • The deposit is tabular in geometry; however is often pod like in nature. Clear boundaries define the mineralisation. • Outcropping of mineralisation has supported geochemistry. The mineralised domains are wireframed based on geochemistry and geological logging. • The flat lying bauxite lodes are near surface within the laterite profile and follow the undulating topography. Lodes tend to thin out towards areas of higher terrain, and thicken across flat to gently sloping terrain. The basal extent of the lodes is

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Criteria	JORC Code explanation	Commentary
		determined from geochemical changes noted down hole (such as a sudden marked increase in reactive silica across 0.5m intervals), in association with a noted increase in the clay content observed through lithological logging.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	• The Athena1 deposit is comprised of five mineralised lodes which have been interpreted across a strike length of 5.4km extending from 6,399,350mN to 6,404,790mN. The most extensive mineralised lode at the deposit is approximately 1.9km wide. The Athena2 deposit is comprised of five mineralised lodes which have been interpreted across a strike length of 1.9km extending from 6,388,400mN to 6,390,330mN. The two main lodes each cover a width of approximately 500m. The Athena3 deposit is comprised of three mineralised lodes which have been interpreted across a strike length of 2.4km extending from 6,389,400mN to 6,391,780mN. The main lode is approximately 600m wide. The Athena4 deposit is comprised of two lodes interpreted across a strike length of 2km extending from 6,393,940mN to 6,395,900mN. The lodes encompass a width of approximately 2km.
Estimation and modeling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.*	• Inverse Distance Squared (ID^2) interpolation with an oriented 'ellipsoid' search was used for the estimate. This technique is appropriate where data is regularly gridded as is the case at Athena. Surpac software was used for the estimations. • Three dimensional mineralised wireframes were used to domain the data. As all samples were taken at even 0.5m intervals, no compositing was carried out. • No top-cuts were applied to the data as no extreme grades were noted. • The maximum distance of extrapolation from data points was 80m. • A flat 'ellipsoid' search was used to select data and was based on the observed lode geometry. Three passes were used in the estimation at each deposit. The first pass used a range of between 180m and 250m with a minimum of 10 samples. For the second pass, the range was extended to between 250m and 400m with a minimum of 6 samples. A third pass radius of 350m to 600m with a minimum of two samples was used to fill any un-estimated blocks for each model. A maximum of 32 samples was used for all 3 passes. Greater than 90% of the blocks were filled in the first two passes for each model.
	• *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.*	• RPM reported a maiden Mineral Resource estimate for Athena in March 2014. All the data used in that estimate was utilised in this update. • No mining has occurred in the area.
	• *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).*	• It is assumed that there will be no by-products recovered from the mining of bauxite. • The non-grade elements estimated are Fe_2O_3, and TiO_2. The deleterious elements estimated are reactive silica, whole rock SiO_2 and LOI.
	• *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.*	• The parent block dimensions used at Athena1, Athena2, and Athena4 were 40m NS by 40m EW by 1m vertical with sub-cells of 20m by 20m by 0.5m. The parent block size was selected on the basis of being approximately 25% of the average drill hole spacing and of sufficient resolution to adequately account for the undulating topography.
	• *Any assumptions behind modelling of selective mining*	• Selective mining units were not modelled. The block

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	units.	size used in the Mineral Resource model was based on drill sample spacing and lode orientation.
	• *Any assumptions about correlation between variables.*	• There is a strong positive correlation between Al_2O_3 and available alumina and also between available alumina and LOI.
	• *Description of how the geological interpretation was used to control the resource estimates.*	• The deposit mineralisation was constrained by wireframes constructed using down hole geochemistry and associated lithological logging. The optimum bauxite mineralisation is characterised by high available alumina and very low reactive silica (preferably with a ratio of better than 10:1). The basal extent of the bauxite was determined by a noticeable increase in reactive silica with associated decrease in available alumina across a 0.5m interval. This geochemical change generally coincided with intervals logged as transitional or clay material. The base of logged gravel coincided with the upper limit of the bauxite material. A nominal grade cut-off of 25% Av Al_2O_3 was used when interpreting the mineralised lodes. The wireframes were applied as hard boundaries in the estimate.
	• *Discussion of basis for using or not using grade cutting or capping.*	• To assist in the selection of appropriate top-cuts, log-probability plots and histograms were generated. The data from the bauxite domain typically showed normal distributions for all the elements except for reactive silica and total silica which showed a slight positive skewness. The lack of any distinct breaks in the shape of each distribution on the log probability plots and population histograms, and the very low CV values, suggest that no top-cuts are required.
	• *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	• To validate the model, a qualitative assessment was completed by slicing sections through the block model in positions coincident with drilling. A quantitative assessment of the estimate was completed by comparing the average grades of the sample file input against the block model output for all the resource objects. A trend analysis was completed by comparing the interpolated blocks to the sample data within all the lodes. This analysis was completed for northings and elevations across the deposit. Validation plots showed good correlation between the sample grades and the block model grades.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• Tonnages and grades were estimated on a dry in situ basis.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• The Mineral Resource has been reported at a 25% available alumina cut-off grade. • BRL is operating in its own right and under two Joint Ventures, with Yankuang (BAJV) and HD Mining (HD Mining JV) respectively. The purpose of BRL activity is to explore for bauxite, where bauxite is defined under the JV's as heterogeneous material composed primarily of one or more aluminium hydroxide minerals and having more than 25% available alumina. BRL believes that the selected cut off at Athena (25% available alumina) results in a product that is viable for alumina refining. RPM agrees with BRL's assumptions.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the*	• RPM has assumed that the deposits could potentially be mined using medium scale open pit techniques. The minimal amount of overburden and shallow nature of the deposits could allow mining to be carried out with surface mining equipment, but this has not been verified with an economic study.

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	assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.	
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	• No assumptions have been made regarding metallurgy other than the material could be refined using the industry recognised Bayer Processing method.
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	• According to BRL, the Athena Project is not subject to any environmental liabilities.
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	• Bulk density is assumed. A value of 2.17t/m^3 was assigned to bauxite and waste material. This was based on 89 reported measurements on diamond core samples analysed from the BAJV drill program on the Felicitas deposit. Samples were weighed using the water immersion technique. • The 89 measurements have been recorded from 16 diamond drill holes at the Felicitas deposit. The samples have returned specific gravity values between 1.55t/m^3 and 2.85t/m^3 with an average bulk density figure of 2.32t/m^3. The first quartile value of 2.17t/m^3 has been applied to the block model. This is considered a conservative assignment of bulk density to allow for void spaces present in the material.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	• Mineral Resources were classified in accordance with the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC, 2012). The resource was classified as Inferred Mineral Resource on the basis of data quality, sample spacing, and lode continuity. The undulating topography and wide drill spacing has required the interpretation of intermediate inferred sections to maintain the bauxite lodes below the topographic surface. With the current drill spacing across this terrain, the estimate at the Athena deposit only meets the criteria for Inferred Mineral Resource. • The input data is considered reliable as BRL have comprehensive QAQC procedures in place. • The Mineral Resource estimate appropriately reflects the view of the Competent Person.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• Internal audits have been completed by RPM which verified the technical inputs, methodology, parameters and results of the estimate.
Discussion of	• *Where appropriate a statement of the relative accuracy*	• The Athena Mineral Resource estimate has been

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relative accuracy/ confidence	*and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	estimated with a high degree of confidence. The lode geometry and continuity has been adequately interpreted to reflect the applied level of Inferred Mineral Resource. The wide drill spacing and undulating topography required the interpretation of sections between drill lines in order to model the bauxite continuity beneath the topography. The data quality is good and the drill holes have detailed logs produced by qualified geologists. A recognised laboratory has been used for all analyses. • The Mineral Resource statement relates to global estimates of tonnes and grade. • No mining has occurred at the deposit.

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