BAUXITE RESOURCES LIMITED

DARLING RANGE BAUXITE RESOURCE UPGRADE
FELICITAS RESOURCE IN EXCESS OF 200Mt
BRL & JV PARTNER RESOURCE BASE NOW IN EXCESS OF 300Mt

Key Points:

- Felicitas total resource (unbeneficiated) increased to **218.7Mt @ 39.1% Al_2O_3 (total), 30.1% Al_2O_3 (available), 1.9% SiO_2 (reactive)**
- Indicated and Measured category resources total **157.2Mt**
- Resource has high available alumina to reactive silica ratios, considered desirable for alumina refining
- Bauxite resources of BRL and its partners total **327.2Mt** which is the largest JORC compliant Bauxite resource in Australia outside the current Australian alumina producers
- Resource at sufficient scale to support a 1.25Mtpa alumina refinery for a period of nearly 50 years

Bauxite Resources Limited (ASX: BAU) ("BRL" or "the Company") is pleased to announce a resource upgrade for the Felicitas bauxite deposit in the Darling Range Western Australia. The resource is situated on a small number of large private landholdings located approximately 60km north east of Perth, and 10km from the town of Wundowie. The resource is less than 5 km from existing rail infrastructure providing a direct link to Kwinana Port being approximately 120 km away.

The Felicitas resource is contained within the Company's Bauxite Alumina Joint Ventures ("BAJV") joint venture with Yankuang Resources Ltd ("Yankuang").

Table 1: Total Felicitas Deposit Resource Classification

JORC classification	Quantity (Mt)	Al_2O_3 % (total)	Al_2O_3 % (available)#	SiO_2 % (reactive#)	Al_2O_3 (avail) to SiO_2 (react) ratio
Measured	53.2	39.1	30.7	1.4	21.9
Indicated	104	39.3	30.1	1.9	15.8
Inferred	61.5	38.9	29.6	2.4	12.3
Total	**218.7**	**39.1**	**30.1**	**1.9**	**15.8**

Note - All grades are unbeneficiated
 # Represents low temperature (148^o) bomb digestion

The previous resource estimate announced in May 2013 stood at 147.9Mt. The current increase of 70.8Mt has resulted from the analysis of an additional 714 vacuum drill holes, for which assays were pending at the time of the May resource upgrade.

The Felicitas bauxite project area is:

- situated on a small number of private landholdings;
- located approximately 60km north east of Perth, being 10km from the town of Wundowie;
- within ~5km of existing rail, providing a link to Kwinana Port approximately 120km away.

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ASX Code: BAU

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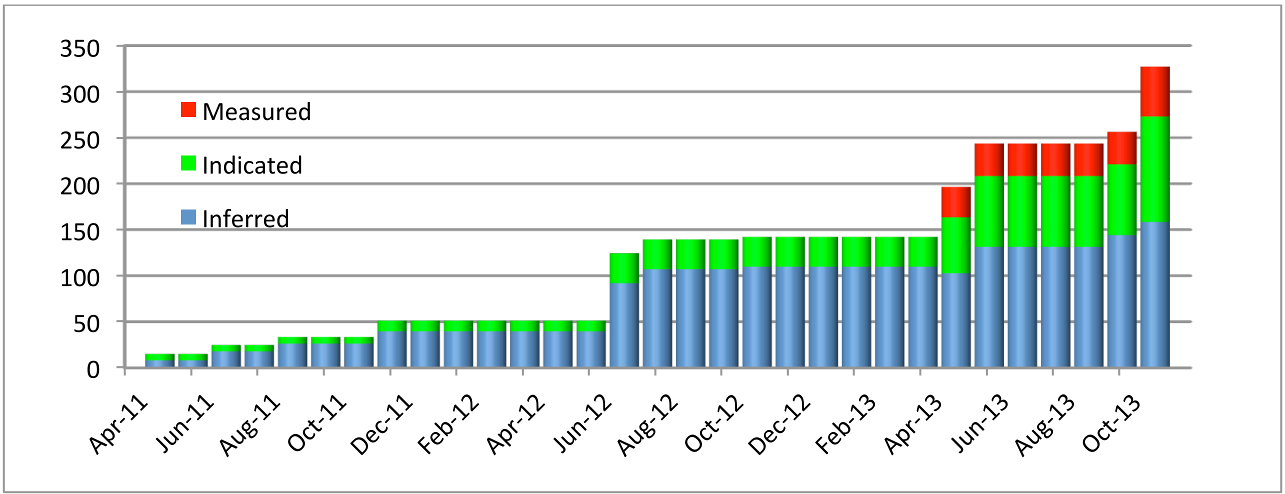
Peter Canterbury, BRL CEO commented on the upgrade, "The latest upgrade confirms the region as a world scale resource and the Felicitas resource alone is now sufficient to support a 1.25Mtpa alumina refinery for a period of nearly 50 years. Felicitas lies immediately northwest of the Company's Fortuna resource. Combined resources of the two are now in excess of 250Mt, clearly identifying the northern Darling Range as a significant bauxite province. With the proposed current drilling programs across both deposits further growth in this resource is expected in the near term. This resource is now the largest JORC compliant resource in Australia outside the major Australian alumina producers."

BRL and Partner resource growth (see Table 2 for resource details)



Both the BAJV and BRL are currently undertaking mine development activities including mine planning and planning the commencement of environmental baseline studies. BAJV has commenced resource drilling on another property adjacent to the existing resource.

Recently the new Chairman of Yankuang, Mr Xinwen Zhang visited the Felicitas deposit and was impressed with the achievements of the resource definition and the scale of the resource.

Resource Details

The Felicitas resource extends across approximately 4,800Ha (48km^2) of private landholding. The geological setting is laterite over a predominantly granitic basement with mineralisation tabular in nature, formed by the weathering of the underlying basement rocks. The deposit is similar in style to many other bauxite deposits in the region. The deposit displays loose overburden typically less than 1m in thickness, with the bauxite zone up to 17m in thickness (average 4.5m). The current resource estimate, completed by RungePincockMinarco (RPM), was based on data from 7,582 vacuum holes drilled for 53,988 metres, of which 5,142 holes fall within the resource. Drilling was completed on a nominal 80 x 80m offset drill pattern (Figure 2). All holes were drilled vertically, with intersected thicknesses considered as true thickness, given the relatively flat lying nature of mineralisation.

Close spaced drilling (at 5m spacing) conducted at two locations across the deposit and twinned drill holes has verified the continuity of mineralisation. This, combined with the use of a bulk density determined from the deposit, has enabled a substantial portion of the resource to be classified as Measured Mineral Resource.

All samples were analysed using FTIR (Fourier Transform Infra Red). Samples returning greater than or equal to 23% available alumina also underwent low temperature caustic (148°) digestion (BOMB) and analysis by ICP-OES using 1.0 ± 0.04g samples to determine available alumina and reactive silica. 10% of these samples underwent X-Ray Fluorescence Spectrometry (XRF) to determine total Al_2O_3, Fe_2O_3, SiO_2, TiO_2 and a variety of trace elements. 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. Ordinary Kriging (OK) was used to estimate the resource. Full details are attached below. The resource is likely to be mined by conventional open cut mining methods. No assumptions have been made regarding metallurgy other than the material could be refined using the industry recognised Bayer processing method.

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Figure 1: Bauxite Resources Ltd tenement holding showing Felicitas Resource location

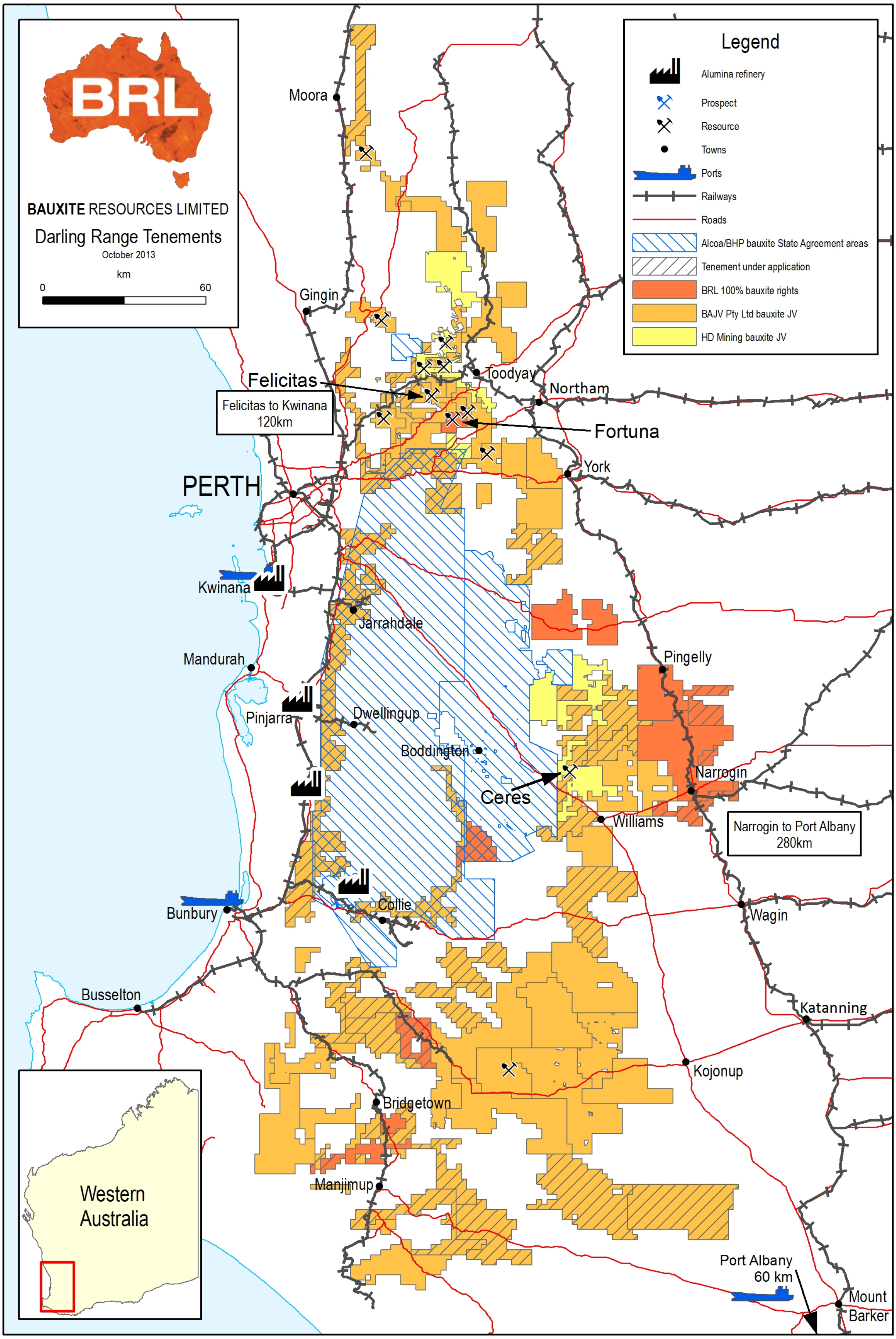

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Figure 2: Felicitas Resource drill hole location map

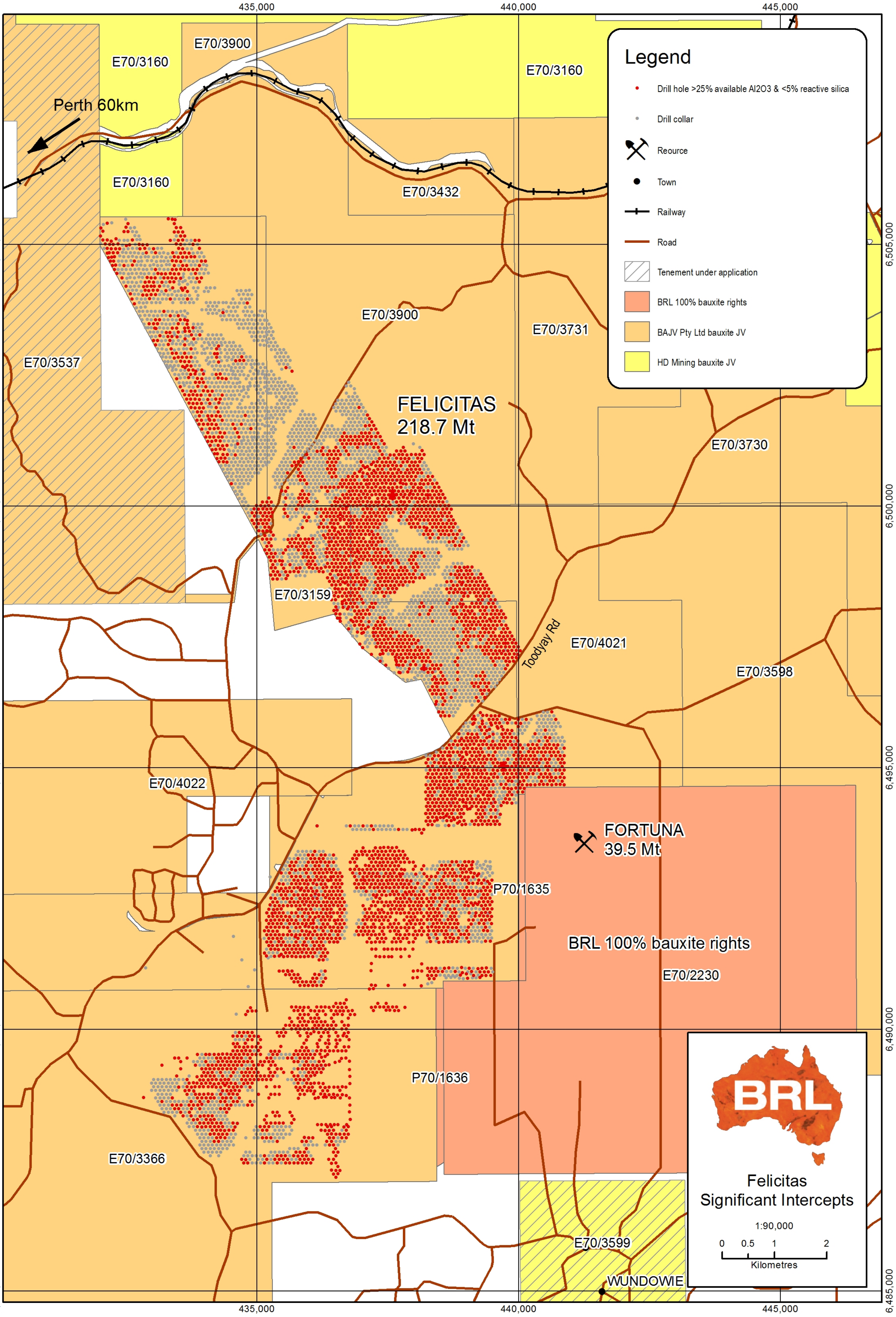

Table 2: BRL Bauxite Projects in south west Western Australia – Resource Summary Table

Deposit & Classification	Size Mt	Al_2O_3 (total) %	Al_2O_3 (available)# %	SiO_2 (total) %	SiO_2 (reactive)# %	JV & Resource Details
Fortuna						
Inferred	39.5	37.3	28.8	5.2	1.6	BRL (September 2013) JORC 2012
BRL 100% sub-total	**39.5**	**37.3**	**28.8**	**5.2**	**1.6**	
Felicitas						
Measured	53.2	39.1	30.7	5.8	1.4	BAJV (October 2013) JORC 2012
Indicated	104.0	39.3	30.1	8.9	1.9	BAJV (October 2013) JORC 2012
Inferred	61.5	38.9	29.6	11.5	2.4	BAJV (October 2013) JORC 2012
Cardea 3 (BAJV)						
Indicated	3.5	42.5	31.1	11.6	3.2	BAJV (Nov 2011) JORC 2004
Inferred	7.0	41.0	30.1	12.6	3.5	E70/3432
Minerva						
Inferred	2.2	38.7	28.9	20.3	3.9	BAJV (Aug 2011) JORC 2004
Aurora						
Indicated	7.0	43.5	33.0	9.1	3.1	BAJV (Apr 2011) JORC 2004
Inferred	4.4	41.3	30.2	14.4	4.0	
Rusina						
Inferred	3.7	40.3	29.1	15.7	5.3	BAJV (Apr 2011) JORC 2004
Juturna						
Inferred	8.2	40.2	29.9	23.1	3.9	BAJV (Jun 2011) JORC 2004
Vallonia						
Inferred	1.5	36.6	28.0	22.6	3.9	BAJV (Jun 2011) JORC 2004
Cronus						
Inferred	2.8	39.3	28.3	13.3	2.8	BAJV (Jul 2012) JORC 2004
BAJV sub-total	**259.0**	**39.4**	**30.1**	**9.9**	**2.2**	
Cardea (1&2)						
Inferred	6.4	41.8	29.3	15.7	4.3	HDMJV (Aug 2011) JORC 2004
Cardea 3 (HDM)						
Indicated	1.1	42.8	30.0	16.8	4.0	HDMJV (Nov 2011) JORC 2004
Inferred	6.2	40.3	28.9	17.0	4.4	E70/3160
Ceres						
Inferred	15.0	40.9	31.7	19.5	3.0	HDMJV (Jul 2012) JORC 2004
HDM sub-total	**28.7**	**41.0**	**30.5**	**18.0**	**3.6**	
Total Measured	**53.2**	**39.2**	**30.5**	**5.8**	**1.3**	Oct-13
Total Indicated	**115.6**	**39.7**	**30.3**	**9.1**	**2.0**	Oct-13
Total Inferred	**158.4**	**39.1**	**29.6**	**12.2**	**2.7**	Oct-13
South West WA TOTAL Bauxite	**327.2**	**39.3**	**30.0**	**10.0**	**2.2**	Oct-13

 # Fortuna grades based on FTIR analysis with ~10% samples validated by low temperature (148^o) caustic digest and ICP analysis. All other resources were based on low temperature (148^o) caustic digest and ICP analysis. This method simulates the low temperature Bayer process.

#Available Alumina figures were based on low temperature (148^o) caustic digest- High temperature digestion may result in higher available alumina however the exact extent of this increase is not known at this time

BRL - BRL retain 100% beneficial interest in bauxite

BAJV - Bauxite Alumina Joint Venture area with Yankuang Resources Ltd where the BRL retains 30% beneficial interest in the bauxite rights.

HDMJV – Resources within joint venture with HD Mining & Investments Pty Ltd, the wholly owned subsidiary of Shandong Bureau No.1 Institute for Prospecting of Geology & Minerals. At the time of writing the Company retains 100% beneficial interest. HD Mining can earn up to 60 % of bauxite rights upon completion of certain milestones including completion of a BFS leading to a decision to mine.

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Competent Person's Statement

The information in this report that relates to **Cardea1&2, Juturna, Minerva, Rusina and Vallonia** Mineral Resources is based on information compiled by Peter Senini who is a Member of the Australian Institute of Geoscientists. Mr Senini was an employee of the Company at the time of resource estimation and remains competent person for the above mentioned resources. He 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 Senini 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 report that relates to **Felicitas, Cardea3, Aurora, Ceres, Cronus and Fortuna** 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 contains 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 following lists the Joint Ore Reserve Code (JORC) compliant Public Reports released to the ASX declaring the JORC resources referred to. These can be viewed on both the ASX and the Company websites, free of charge.

02/05/2011	Aurora, Rusina: Progress Report - Resource Upgrade. JORC 2004
21/06/2011	Vallonia, Juturna: Progress Report - Resource Upgrade. JORC 2004
22/08/2011	Cardea 1&2, Minerva: Resource Upgrade. JORC 2004
02/11/2011	Cardea3: Resource Update. JORC 2004
05/06/2012	Felicitas: 73Mt New Bauxite Resource at Felicitas Deposit. JORC 2004
30/07/2012	Ceres: New Bauxite Resource at Williams Project Western Australia. JORC 2004
26/10/2012	Cronus: Annual Report to Shareholders. JORC 2004
02/05/2013	Felicitas: Upgrade of Darling Range Bauxite Resource, Felicitas. JORC 2004
09/05/2013	Fortuna: 26.8Mt Bauxite Resource at BRL's Darling Range Fortuna Project. JORC 2004
28/05/2013	Felicitas: Darling Range Bauxite Total Resources Increases to 243.7Mt, Felicitas JV Resource With Yankuang Increases to 147.9Mt. JORC 2004
04/09/2013	Fortuna: BRL's 100% Fortuna Resource increased to 39.5Mt. BRL and partners Darling Range resources in excess of 250Mt. JORC 2012

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 Felicitas resource upgrade, 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.*	• The Felicitas deposit has been drilled using primarily Vacuum (VAC) drilling with sampling at even 0.5m intervals. Holes were drilled on a staggered grid at nominal spacing of 80m by 80m. A total of 19 diamond drill (DD) holes were drilled to obtain samples for bulk density analysis and were located across the extent of the deposit. In addition, 38 probe holes (PER) were drilled into the overlying gravel to provide density information. These were drilled at various locations across the deposit. • The majority of drill hole collars in the supplied database have been accurately located with coordinates in MGA94 grid system. A total of 245 out of 7,639 holes have been located by GPS and listed as 'PLAN' in the database. These holes are yet to be surveyed. Down hole surveys have not been taken as drill holes are all less than 33m in depth and drilled vertically through the predominantly flat lying laterite. • 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. The 2kg samples were pulverized to produce a 150µm pulp for analysis. 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).*	• The majority of drilling was undertaken using a tractor mounted vacuum drill rig utilising a 45mm drill bit. • A total of 19 diamond drill holes using PQ size core were drilled for bulk density samples. • A total of 38 percussion holes were drilled predominantly through the overlying gravel to determine in-situ bulk density.
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. • 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 geologists. Weathering, lithology, alteration and mineralogy information were recorded. Magnetic susceptibility (MAGSUS) was also routinely recorded. • Logging was primarily qualitative with standardised BAJV codes. MAGSUS measurements were quantitative. • All drill holes were logged in full.
Sub-sampling techniques and sample	• *If core, whether cut or sawn and whether quarter, half or all core taken.*	• Diamond core was used to obtain 15cm whole core samples for bulk density determinations at depths determined by the field geologist. These samples were

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Criteria	JORC Code explanation	Commentary
preparation	• *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.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity 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.* \\ • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	also used for assay analysis. The remainder of the core was discarded and not analysed. • 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. • 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 that 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 pulp. These pulps were split into 100g samples for retention and analysis. • Field QC procedures involved the use of BAJV certified coarse standards and industry certified reference materials. BAJV used 9 Standards during the course of the Felicitas drilling programs (five coarse standards, one blank, and three pulp samples). Standards were initially inserted at a rate of 1:200 but during subsequent drill programs this rate was increased to 1:50 and most recently to 1:40. Infill close spaced drill programs used an insertion rate of 1:20. The field blank is composed of clean white sand. It is not certified and inserted at a rate of 1:100. • The field duplicates have accurately reflected the original assay. Recognised laboratories have been used for analysis of samples. Certified standards analysed by FTIR show fluctuating values around the XRF acceptable limits. Results produced by XRF and IOC analysis closely report the expected value for each standard. The variation in reported results against expected values is greater for the coarse material standards. • The standard sampling procedure used by BAJV 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 1:50. • 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.* • *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*	• Samples are analysed at Nagrom Laboratory in Perth by Fourier-Transform Infrared (FTIR) Spectroscopy or X-Ray Fluorescence Spectrometry (XRF) techniques (FTIR is used as a selection process with 1:10 samples being analysed by XRF). To validate the FTIR results, 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, and X-Ray Fluorescence Spectrometry (XRF) to determine total Al_2O_3, Fe_2O_3, SiO_2, TiO_2 and a variety of trace elements. • No geophysical tools were used to determine any element concentrations used in this resource

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Criteria	JORC Code explanation	Commentary
	derivation, etc. • *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.*	estimate. • 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 resource estimation.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• RPM has not independently verified significant intersections of mineralisation. • Twinned vacuum drill holes were drilled at selected locations across the Felicitas deposit. Results returned for each twinned hole closely matched the original drill results. • BAJV 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. All logging data was captured in digital logging devices to ensure consistency of coding and minimise data entry errors. Logging is described using the BAJV 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 hole collars in the supplied database have been accurately* located with coordinates in MGA94 grid system. A total of 245 out of 7,639 holes (3%) were located by GPS and listed as 'PLAN' in the database. A total of 108 'PLAN' drill holes were included in the resource wireframes. These holes are yet to be surveyed. Down hole surveys have not been taken as drill holes are all less than 33m in depth and drilled vertically through the predominantly flat lying laterite. • Topographic surface based on RTK surveyed points recorded by a BAJV surveyor at 5m intervals across the deposit merged with 10m contour data from Landgate. The surveyed Felicitas collar points were used to adjust the surface over the deposit area. Drill holes with nominal co-ordinates were adjusted in RL to match the topographic surface.
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 was 80m by 80m. • Close spaced cross patterns were drilled at two locations across the deposit to aid in variography analysis of short range structures. Holes were drilled at 5m intervals between two 80m sections at each location. • The mineralised domains have demonstrated sufficient continuity in both geological and grade continuity to support the definition of Mineral Resource, and the classifications applied under the 2012 JORC Code. • Samples have been composited to 0.5m lengths using fixed length techniques. There were no residual sample lengths as all sampling was conducted at 0.5m intervals.
Orientation of data in relation to geological	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	• Drill holes were drilled vertical, which is approximately perpendicular to the orientation of the flat-lying mineralisation.

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Criteria	JORC Code explanation	Commentary
structure	• *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.*	• 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 BAJV. Samples are stored on site prior to being trucked to Nagrom in Perth by BAJV personnel. BAJV 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.*	• A desktop review of sampling techniques was carried out by RPM. From the reports provided, the sampling appears to be conducted to industry standards.

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 security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.*	• The deposit is located within exploration licenses E70/3159, E70/3366, E70/4021 and E70/3900, which are 100% held assets of Bauxite Alumina Joint Venture (BAJV), a joint venture between Bauxite Resources Limited and Yankuang Resources Limited. The deposit lies entirely on a small number of large private landholdings. • The tenements are in good standing with no known impediment to future grant of a mining lease
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Bauxite was identified in this area 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 Felicitas Bauxite Deposit is a typical Darling Range deposit 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 Yligarn Craton.

Drill hole information	• *A summary of all information material to the under-standing 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.*
		• Drill hole locations are shown on the attached map, Figure 2, in this material.
		• In the opinion of BRL, material drill results have been adequately reported previously to the market as required under the reporting requirements of the ASX Listing Rules.

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*	• Exploration results are not being reported. • Not relevant. • Metal equivalent values are not being reported.

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Criteria	JORC Code explanation	Commentary
	equivalent values should be clearly stated.	
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 mineralisation orthogonally
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.*	• Relevant diagrams have been included within the main body of this material.
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 Results.*	• Exploration results are not being reported.
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.*	• Vacuum drilling has progressed over several campaigns as the size and extent of the mineralisation became clear.
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.*	• Further extensional drilling is currently underway. Ongoing characterisation of the ore deposit is intended to optimise the resource and will be reported when complete. • Refer to diagrams in the body of this material.

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 BAJV 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. • Minor errors were noted and rectified by RPM in consultation with BAJV. In particular, three drill holes (PRV0458 to PRV0460) had survey co-ordinates incorrectly transcribed from planned to surveyed locations, and 271 drill holes, which had been surveyed in the May 2013 update, had new surveyed co-ordinates. These holes were not actually re-surveyed so the original co-ordinates were retained. In addition holes CPV0110 and CPV0284 were discarded as the two holes are located within less

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		than 0.5m of each other but have conflicting assays.
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 was conducted in November 2011 by Graham de la Mare who, at the time, was an employee of BAJV. • Field sampling and logging was viewed at the working rig.
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 region. • Geochemistry has been used to assist identification of the rock type applied in the interpretation process. • The deposit is tabular in geometry, with clear boundaries which define the mineralisation. Extensional drilling has supported and refined the model and the current interpretation is considered robust. • Outcropping of mineralisation has supported geochemistry. The mineralised domains are wireframed based on geochemistry and geological logging. • Extensional and infill drilling has confirmed geological and grade continuity.
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 Felicitas resource area extends over a strike length of 18.5km (from 6,487,040mN to 6,505,550mN) and was modelled from surface to a depth of approximately 17m below surface. • The deposit is laterally extensive and is 4.4km in width in the south. Due to the confines of landowner properties on which drilling has been granted, the deposit is more constrained in the north.
Estimation and modelling 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.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *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).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the*	• Using parameters derived from modelled variograms, Ordinary Kriging (OK) was used to estimate average block grades within the bauxite domain using Surpac software for 7 elements; available alumina, reactive silica, Al_2O_3, SiO_2, Fe_2O_3, TiO_2 and LOI. No high grade cuts were deemed necessary. Drill hole sample data was coded using mineralisation wireframes and composited to 0.5m lengths using the fixed length technique. Maximum extrapolation distance between data points was 540m. • The extrapolation distance from the end points was 40m, half the drill hole spacing. • No previous mining activity has taken place at Felicitas. Three previous resource estimates have been reported for the Felicitas deposit and were all completed by RPM. • 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. • The parent block size was 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

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	search employed.	approximately 50% of the average drill hole spacing in the deposit. Block discretisation was set to 4 by 4 by 3. An orientated 'ellipsoid' search was used to select data and was based on parameters taken from the variography. • Three models were created to encompass the extents of the deposit primarily due to software limitations. Three estimation passes were used in each model. For the northern two models, the first pass used a range of 100m, with a minimum of 10 samples. For the second pass, the range was extended to 150m, with a minimum of 10 samples. The third pass used a range of 250m and a minimum of 4 samples. A maximum of 32 samples was used for each pass. A maximum of 4 samples per hole was used. • For the third model, the first pass used a range of 100m, with a minimum of 10 samples. For the second pass, the range was extended to 200m, with a minimum of 6 samples. The third pass used a range of 500m and a minimum of 4 samples. A maximum of 32 samples was used for each pass. A maximum of 5 samples per hole was used. • A hard boundary was applied to the estimation.
	• *Any assumptions behind modelling of selective mining units.*	• No assumptions were made on selective mining units.
	• *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. Both Al_2O_3 and available alumina show a strong negative correlation with Fe_2O_3. There is a strong negative correlation between LOI and Fe_2O_3. The remaining elements are un-correlated.
	• *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 an 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. The wireframe was applied as a hard boundary in the estimate.
	• *Discussion of basis for using or not using grade cutting or capping.*	• To assist in the selection of appropriate high grade 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 high grade cuts were 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.*	• A three step process was used to validate the models. 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 composite file input against the block model output for the mineralised domain. A trend analysis was completed by comparing the interpolated blocks to the sample composite data within the bauxite domain. This analysis was

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		completed for 70m or 140m northings and 4m bench heights on selected objects. Validation plots showed good correlation between the composite 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. No moisture values were reviewed.
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. • The purpose of BAJV 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. BAJV believes that the selected cut off at Felicitas (25% available alumina) results in a product that is viable for alumina refining.
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 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.*	• RPM has assumed that the deposit could potentially be mined using medium to large scale open pit techniques. The minimal amount of overburden and shallow nature of the deposit could allow mining to be carried out with surface mining equipment, but this has not been verified with an economic study.
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.*	• The Felicitas Project is not subject to any environmental liabilities. • It is likely the Felicitas deposit would be mined using open pit techniques with material transported from site. 'Waste' material could potentially be used to back fill existing pits as mining proceeded, prior to site rehabilitation.
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 determined. 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 at the Felicitas deposit. Diamond core samples of 15 cm lengths were selectively sampled through the laterite profile. 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 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

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		was 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 Identified Mineral Resources and Ore Reserves (JORC, 2012*). From the information provided the deposit displays strong geological and mineralisation continuity. The resource was classified as Measured, Indicated and Inferred Mineral Resource based on data spacing and quality, and continuity of mineralisation. The Measured portion of the resource was defined where the drill spacing was at a regular 80m spacing and where the thickness of the bauxite profile and continuity of grades was robust across each section. These areas occurred on the flat to slightly inclined areas on the more continuous lodes. The Indicated portion of the resource was defined where the drill spacing was drilled on an 80m by 80m pattern, continuity and thickness of mineralisation was good, and the topography was generally flat or slightly inclined. The Inferred portion included the remainder of the deposit defined by an 80m by 80m or greater drill spacing, the mineralised continuity was less continuous and the topography more undulating. • The input data is comprehensive in its coverage of the mineralisation and does not favour or misrepresent in-situ mineralisation. The definition of mineralised zones is based on high level geological understanding producing a robust model of multiple mineralised lodes. Validation of the block model shows good correlation of the input data to the estimated grades. • 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 relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy 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.*	• The relative accuracy of the Mineral Resource estimate is reflected in the reporting of the Mineral Resource as per the guidelines of the 2012 JORC Code. • The Mineral Resource statement relates to global estimates of tonnes and grade. • The deposit has not previously been mined and is not currently being mined.

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