BAUXITE RESOURCES LIMITED
DECEMBER 2013 QUARTERLY REPORT

Highlights:

- Bauxite resources held by Bauxite Resources Limited ("BRL") and its joint ventures partner's totals **338Mt -** Resources are near surface, situated close to existing road and rail and port infrastructure.

- Felicitas bauxite deposit upgrade to 218.7Mt @ 39.1% Total Al2O3 (30.1 % available @ 148°C), 8.9% SiO2 (1.9% reactive @148°C) (all grades are unbeneficiated).

- Commenced environmental study on BRL's 100% Fortuna Deposit and undertaken conceptual mine planning activities as part of the Company's strategy of targeting export DSO shipments out of the Fortuna deposit.

- Discovered significant new mineralisation in both the north and east Darling Range, displaying high available alumina grade and low reactive silica. Significant intersections include;
  - 9m @ 32.2% avail Al_2O_3 (43.0% total), 2.1% SiO_2 (reactive) from 2.5m
  - 7m @ 38.3% avail Al_2O_3 (49.1% total), 2.3% SiO_2 (reactive) from 1m
  - 7m @ 38.1% avail Al_2O_3 (43.6% total), 2.9% SiO_2 (reactive) from 0.5m
  - 13.5m @ 33.3% avail Al_2O_3 (46.6% total), 1.8% SiO_2 (reactive) from 1m

- Indonesian bauxite export bans imposed effective 12 January 2014 means Darling Range bauxite is now further sought after by Chinese refineries as a long term alternative supply source.

- Successful hand-back of rehabilitated bauxite trial mining area as farmland to private owner.

- Cash at bank A$42.7 million and no debt.

DATE:
29 January 2014

ASX Code: BAU

BAUXITE RESOURCES LTD
ABN: 72 119 699 982

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Non Executive Chairman
Peter Canterbury
CEO & Executive Director
Luke Atkins
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ACTIVITY SUMMARY FOR DECEMBER 2013 QUARTER

Bauxite Resources Limited ("BRL" or the "Company") continues to focus primarily on the exploration and evaluation of bauxite prospectivity in BRL's extensive tenement holding in Western Australia's Darling Range, the largest bauxite and alumina producing region in the world. Currently the Company and its joint Venture Partners hold ~14,266km^2 (7,831km^2 granted). Through a process of low cost resource targeting activities the Company is actively exploring its substantial tenement holdings and rationalising these tenements to maintain the most prospective areas for bauxite mineralisation.

EXPLORATION ACTIVITIES ON 100% BRL TENEMENTS

Fortuna - 100% BRL

The Company announced last quarter an increase to its Fortuna Deposit (100% BRL) to 39.5 million tonnes (Mt). [(1)]

The Company has as one of its key strategic objectives to target export DSO shipments from the Fortuna Deposit and is now focussing on the path to development of this deposit.

As part of this strategy the Company commissioned a flora and fauna survey of the land which the Fortuna Deposit is contained. These surveys were carried out during the December quarter consisting of background research, and a reconnaissance field survey to broadly map vegetation and characterise habitats. This work forms part of extensive information required for the Company to further evaluate development potential for the project.

The company also began preliminary discussions with landowners on converting properties from Exploration Access Agreements to Mining Agreements. In addition conceptual mine planning activities have commenced to identify infill drilling targets.

The BRL Fortuna 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;
- in proximity to existing rail infrastructure approximately 12km to the north, providing a link to Kwinana around 120km away.

EXPLORATION ACTIVITIES UNDERTAKEN UNDER THE JOINT VENTRUE WITH HD MINING

In 2010 the Company entered into a joint venture with HD Mining a wholly-owned subsidiary of the Shandong Bureau No1 Institute for Prospecting of Geology & Minerals (Shandong) to explore for bauxite. The JV allows for HD Mining to fund 100% of exploration and feasibility costs for HD Mining to earn up to a 60% of the bauxite rights upon a decision to mine.
BRL announced the 15Mt Ceres bauxite resource in July 2012, part of the company's emerging Williams area and contained within the HD Mining joint venture covering 1,200km^2 of BRL's tenements in the eastern Darling Range region. During the last quarter the joint venture concentrated on early stage exploration drilling in two regions.

Dionysus Project Exploration Area (North Darling Range)

An exploration drilling campaign was been completed on private farmland approximately 120km north east of Perth on exploration licence E70/3405.
The exploration program comprised 201 vertical vacuum drill holes completed for 1,333.5 metres on a nominal 320m x 160m or 320m x 320m drill pattern. Approximately 37% of the holes display greater than 25% available alumina over at least 1m thickness. The bauxite within these significant holes averages 3m, up to a maximum of 9m in thickness. The mineralised zones are shallow with limited overburden.

Significant intersections include[(2)]:

- 9m @ 32.2% available alumina, 43.0% total alumina, 2.1% reactive silica from 2.5m in hole DHVBRL0679
- 7m @ 38.3% available alumina, 49.1% total alumina, 2.3% reactive silica from 1m in hole DHVBRL0560
- 5.5m @ 35.7% available alumina, 48.8% total alumina, 3.3% reactive silica from 0.5m in hole DHVBRL0580
- 6.5m @ 34.0% available alumina, 41.8% total alumina, 2.0% reactive silica from 1.5m in hole DHVBRL0596

The assay results quoted have been achieved without the aid of any beneficiation processes.
Dionysus represents a new bauxite project for the Company and its JV Partner.

(1) *(ASX announcement 04/09/2013)*
(2) *(ASX announcement 16/01/2014)*

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Wandering - Pingelly Exploration Drilling Area (East Darling Range)

Reconnaissance drilling was completed on a number of private land holdings on exploration licences E70/3890 and E70/3180, between the townships of Wandering and Pingelly, approximately 120km southeast of Perth, with a view to assess bauxite potential and target further exploration in the eastern Darling Range. The program comprised 119 vacuum drill holes for a total of 569 metres, completed on a 320m x 160m spaced grid, or as a series of broad spaced traverses.

Approximately 53% of the holes display greater than 25% available alumina over at least 1m thickness. Bauxite up to 13.5m was intersected (average 3.5m), with limited overburden.

Significant intersections include[2]:

- 7m @ 38.1% available alumina, 43.6% total alumina, 2.9% reactive silica from 0.5m in hole DHVBRL0789
- 13.5m @ 33.3% available alumina, 46.6% total alumina, 1.8% reactive silica from 1m in hole DHVBRL0838
- 7.5m @ 35.8% available alumina, 44.8% total alumina, 1.4% reactive silica from 1.5m in hole DHVBRL0842
- 4.5m @ 39.5% available alumina, 44.6% total alumina, 1.9% reactive silica from 1.0m in hole DHVBRL0799

The assay results quoted have been achieved without the aid of any beneficiation processes.

EXPLORATION ACTIVITIES UNDERTAKEN UNDER THE JOINT VENTRUE WITH YANKUANG RESOURCES

In January 2011, BRL executed a JV with Yankuang Resources Pty Ltd for the development of both bauxite mining and alumina refining in Western Australia. Under the Resources Joint Venture Yankuang fund 70% of all resource development costs for a 70% interest in the resources of the joint venture. To date this JV has defined in excess of 260Mt of bauxite, of which 218.7Mt is located in the JV's flagship Felicitas Deposit in the Northern Darling Range Region. (See Table 1)

In addition to the exploration activities on the Felicitas Deposit which are detailed below the Company also undertook exploration drilling on a number of other tenements to ascertain the potential of other deposits in the tenement holdings of the joint venture.

Felicitas - 30% BRL

During the quarter the Company announced an increase to the Felicitas deposit taking total resource to 218.7Mt[3], of which 157.2Mt is in the measured and indicated category.

The previous resource estimate announced in May 2013[4] stood at 147.9Mt. The increase of 70.8Mt 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 current Felicitas resource area extends across approximately 4,200Ha (42km^2) of large private landholdings, 10km north of Wundowie and 60km north northeast of Perth (Figure 2).

The deposit is situated on a small number of large private landholdings, readily accessible by road, and has been largely cleared for farming and grazing, with the northern boundary of the resource within 5km of existing rail infrastructure and being approximately 120km by rail to the Kwinana port.

Mining engineering effort has focussed on developing the Whittle optimisation of the Felicitas resource. Engineering work focussed on a scoping study of the mine and refinery options in order to limit the engineering work required for the full feasibility study for the Felicitas mine and refinery. In addition a Water Scoping Study was completed for the region to provide focus area for supply during the feasibility study.

Process modelling confirms that low temperature digestion is the best process option for the Felicitas deposit.

Stakeholder engagement continued during the quarter with state and local government on the integrated mine and refinery project.

[3] *(ASX announcement 28/10/2013)*

[4] *(ASX announcement 28/05/2013)*

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Cardea 3 and Aurora Resources

The Cardea 3 and Aurora bauxite resources have been re-reported under JORC 2012 reporting guidelines, with modest resource additions due to a revision of specific gravity (SG). The S.G. used in the revision was determined on drill core collected from drilling completed at Felicitas during March and April 2013. An S.G of 2.17 was determined at Nagrom laboratory Perth, based on the lower quartile value taken from the results of 89 samples from across the modelled bauxite zone. The previously used S.G of 1.6 was based on historical measurements from largely unconsolidated material, and as such under called resource tonnes in the earlier resource estimate. The work resulted in an increase of 10.8Mt to total bauxite resources. Grades remain unchanged, and no new in ground work was completed.

The Cardea 3 resource extends over a strike length of approximately 3.8km, located on private landholding. The deposit is located within two exploration licenses; E70/3160 held by BRL in joint venture with HD Mining Pty Ltd, and E70/3432, under the BAJV, a joint venture between BRL and Yankuang Pty Ltd (see Table 1 for breakdown of resources attributable to each joint venture). The deposit displays loose overburden typically 0.5 - 2m in thickness, with the bauxite zone up to 11.5m in thickness. The current resource estimate was completed by RungePincockMinarco (RPM). Drilling was completed on a nominal 80 x 80m offset drill pattern. All holes were drilled vertically, with intersected thicknesses considered as true thickness, given the relatively flat lying nature of mineralisation.

The Aurora resource consists of two areas. Aurora North extends over a strike length of 1.2km with bauxite up to 11.5m, and Aurora South extends over a 5.4km strike length with bauxite up to 10m in thickness. The deposit is located within exploration license E70/3064 managed by the BAJV, and on a Minerals to Owner freehold property 100% owned by BRL on E70/2692. The deposit lies entirely on a small number of private landholdings.

The resource estimate was completed by RungePincockMinarco (RPM). Drilling was completed on a nominal 80 x 80m or 40m x 40m offset drill pattern. All holes were drilled vertically, with intersected thicknesses considered as true thickness, given the relatively flat lying nature of mineralisation.

The geological setting of the resources is laterite over a predominantly granitic basement with mineralisation tabular in nature, formed by the weathering of the underlying basement rocks. The deposits are similar in style to many other bauxite deposits in the region. All samples for Cardea 3 and Aurora resources were analysed using XRF (X Ray Fluorescence) at Nagrom Laboratory in Perth to determine total Al_2O_3, Fe_2O_3, SiO_2, TiO_2 and a variety of trace elements. Samples returning greater than or equal to 27% total alumina 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.

Ordinary Kriging (OK) was used to estimate the resources. Full details are attached below. The resources are 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.

Figure 1: Bauxite Resource growth chart – Refer Table 1 for resource summary details.

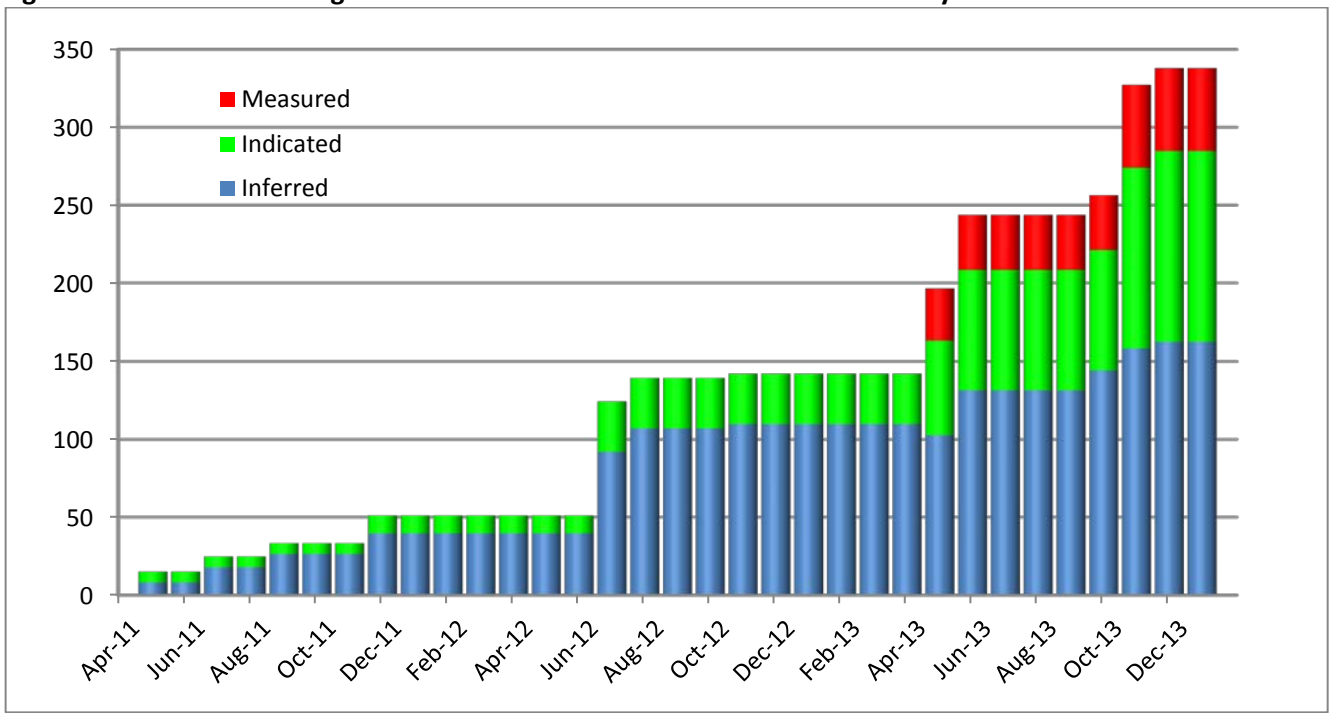

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Figure 2: Bauxite Resources Ltd tenement holding showing resource locations

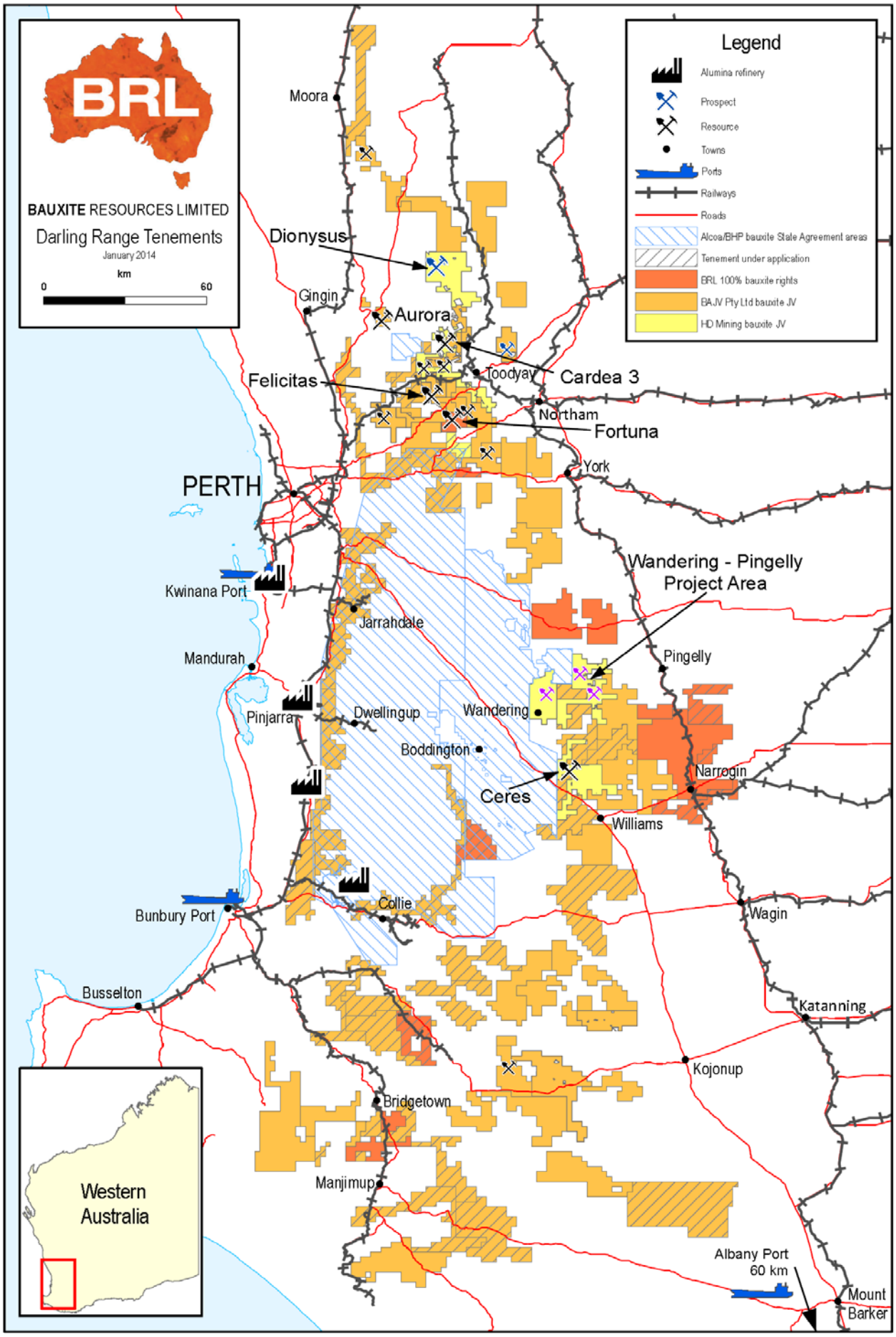

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Table 1: BRL Bauxite Projects in south west Western Australia – Resource Summary Table

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 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 JORC 2012
Indicated	104.0	39.3	30.1	8.9	1.9	BAJV JORC 2012
Inferred	61.5	38.9	29.6	11.5	2.4	BAJV JORC 2012
Cardea 3 (BAJV)						
Indicated	4.7	42.5	31.1	11.6	3.2	BAJV JORC 2012
Inferred	9.5	41.0	30.1	12.6	3.5	E70/3432
Minerva						
Inferred	2.2	38.7	28.9	20.3	3.9	BAJV JORC 2004
Aurora						
Indicated	12.0	43.5	33.0	9.1	3.1	BAJV JORC 2012
Inferred	3.9	41.3	30.2	14.4	4.0	
Rusina						
Inferred	3.7	40.3	29.1	15.7	5.3	BAJV JORC 2004
Juturna						
Inferred	8.2	40.2	29.9	23.1	3.9	BAJV JORC 2004
Vallonia						
Inferred	1.5	36.6	28.0	22.6	3.9	BAJV JORC 2004
Cronus						
Inferred	2.8	39.3	28.3	13.3	2.8	BAJV JORC 2004
BAJV sub-total	**267.2**	**39.5**	**30.2**	**9.9**	**2.2**	
Cardea (1&2)						
Inferred	6.4	41.8	29.3	15.7	4.3	HDMJV JORC 2004
Cardea 3 (HDM)						
Indicated	1.5	42.8	30.0	16.8	4.0	HDMJV JORC 2012
Inferred	8.4	40.3	28.9	17.0	4.4	E70/3160
Ceres						
Inferred	15.0	40.9	31.7	19.5	3.0	HDMJV JORC 2004
HDM sub-total	**31.3**	**41.0**	**30.4**	**17.9**	**3.7**	
Total Measured	**53.2**	**39.2**	**30.5**	**5.8**	**1.3**	Dec-13
Total Indicated	**122.2**	**39.9**	**30.4**	**9.1**	**2.1**	Dec-13
Total Inferred	**162.6**	**39.1**	**29.6**	**12.2**	**2.7**	Dec-13
South West WA TOTAL Bauxite	**338.0**	**39.4**	**30.0**	**10.1**	**2.3**	Dec-13

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

#Available Alumina figures were based on low temperature (148°) 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 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
28/10/2013	Felicitas: Darling Range Bauxite Resource Upgrade. Felicitas resource in excess of 200Mt. BRL and JV Partner Resource Base Now in Excess of 300Mt

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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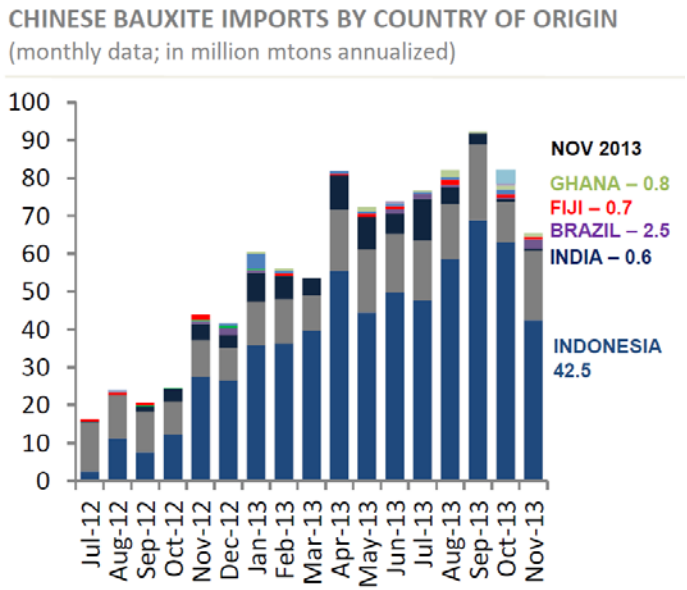
CORPORATE

Bauxite Market

The Indonesian Government confirmed on January 12, 2014, that the ban on bauxite exports from Indonesia will commence immediately. Last year it is estimated approximately 40-45 million tonnes of bauxite was exported from Indonesia to China. The ban will ultimately require additional supply of bauxite to satisfy demand out of China. Australia logistically is well placed to supply this demand and Western Australia is currently the largest bauxite producing region in the world. With BRL's bauxite resources located near existing rail infrastructure this provides an opportunity for low capital cost and nearer term start-up of direct shipment export of bauxite from Western Australia. Australia's proximity to China means Australia has a logistical advantage to many other alternative supply sources and therefore positions the Company well to take advantage of the increase in demand for Australian bauxite.

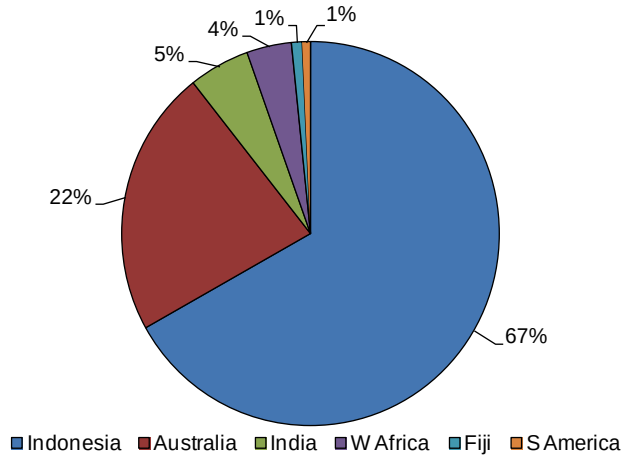


"China is expected to source a greater proportion of its bauxite requirements from Australia and West Africa over the next decade"

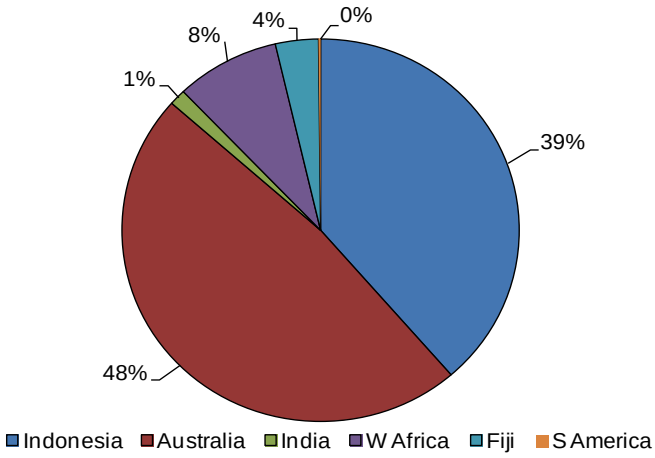
Source: CRU, Bauxite Long Term Market Outlook, 2013 Edition

Source: Antaike, Alumina and Aluminium Monthly, January 2014

CHINESE BAUXITE IMPORTS IN 2012 AND 2022



China import requirement in 2012 - 38.4m tonnes



China import requirement in 2022 - 84.6m tonnes

Source: CRU, Bauxite Long Term Market Outlook, 2013 Edition

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Hand-back of Bindoon Trial Mining Land

During the Quarter the Company formally handed back to the landowner, the area of private farmland that was used for the trial mining in 2009/10 following successful rehabilitation of the pastoral land.

At completion of the trial shipments in March 2010, the eight hectares of cleared pastoral land was returned to original land form by replacing the stockpiled overburden and topsoil. In consultation with the owner during the four successive growing seasons, BRL has monitored and gathered data from the rehabilitation process gaining valuable information for future mining programs.

Immediately following trial mining the area had a grass and clover pasture sown which was maintained for two years. In the third season a mixed pasture and hay crop was ploughed back into the soil adding organic matter for soil improvement.

In 2013 a crop of oats-hay was sown with a reference crop planted immediately adjacent in an area that was not mined. In October 2013, both crops were harvested and the yields from each area were comparable demonstrating the compatibility of bauxite mining with farming operations as well as providing a knowledgebase for all future mining operations including the Fortuna and Felicitas deposits which are now the current focus areas for development due to their larger scale.

Prior to mining August 2009

During mining – January 2010

Post mining – September 2013

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Development of Fortuna Deposit

As previously mentioned in the September 2013 Quarterly Report, BRL has entered a development evaluation phase for supply into the international bauxite market of its 100% owned bauxite resources.

During the quarter a preliminary flora and fauna survey was commenced on the Fortuna deposit, consisting of background research and a reconnaissance field survey to broadly map vegetation and characterise habitats. This work forms part of extensive information required for the Company to further evaluate development potential for the project.

The company also began preliminary discussions with landowners on converting properties from Exploration Access Agreements to Mining Agreements. In addition, conceptual mine planning activities have commenced to identify infill drilling targets.

Activities planned for the March 2014 quarter include:

- Identify and potentially conduct infill drilling on Fortuna Deposit to support mine planning activities
- Complete the preliminary Flora and Fauna Surveys
- Progress landowner Mining Access Agreements
- Undertake logistics study on the access to rail and port facilities
- Identification of infrastructure and equipment requirements
- Commence conceptual development of mining proposal
- Begin potential off-take discussions with targeted customers.

Share Buyback

As of 31 December 2013, BRL had purchased 3,896,400 shares (out of a maximum of 23,537,989 shares) under the buyback for a total consideration of $459,835 and at an average purchase price of $0.118 cents per share. Paterson Securities Limited is the appointed broker for the share buyback program. The share buy-back was suspended in late September following receipt of the IMF funded claim referred to below. The Board will keep the decision to suspend under review subject to legal advice.

Potential Legal Claim

Further to the Company announcements in June & July 2010 in respect to IMF's proposal to fund legal action against BRL, the Company received a proposed claim which alleges that the Company engaged in misleading and deceptive conduct in September 2009. The proposed claim is on behalf of a pool of investors who acquired shares in the Company in the share placement which occurred in October 2009. During the quarter lawyers for the parties participated in pre-action conferrals. Consistent with the Company's previous announcements concerning these allegations, BRL intends to defend any legal proceedings in the event any are commenced.

Cash Position

As at 31 December, 2013, BRL had a cash balance of $42.7 million and no debt.

Peter Canterbury

CEO, Bauxite Resources Ltd

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JORC Table 1 - Aurora bauxite resource

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 deposits were primarily sampled using Vacuum (VAC) drilling with sampling at even 0.5m intervals. Holes were drilled on a regular grid at a nominal spacing of 80m by 80m to a minimum of 5m by 5m on east west orientated drill sections. Holes were drilled vertically to intersect the mineralised zones optimally. • Drill holes used in the Aurora North resource estimate included 499 vacuum holes and 8 diamond holes for a total of 2,225m within the resource wireframes. • Drill holes used in the Aurora South resource estimate included 3,422 vacuum holes, 76 diamond holes, 3 sonic holes, and 2 air core holes for a total of 11,265m within the resource wireframes. • All drill hole collars in the supplied database have been accurately located with coordinates in MGA94 grid system. Down hole surveys have not been taken as drill holes are all less than 35m in depth and drilled vertically through the predominantly flat lying laterite. • Vacuum samples were collected at 0.5m intervals. The vacuum samples for each 0.5 metre of drilling were collected at the rig using a riffle splitter to collect approximately 1.5kg of sample into a calico bag with the remaining sample dropped onto the ground. Diamond core was sampled at 0.25m intervals with the entire core sent 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).*	• All vacuum drilling was undertaken using a tractor mounted vacuum drill rig utilising a 45mm drill bit. • HQ3 triple tube core was used for the diamond drilling.
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 vacuum samples were weighed. This provides an indirect record of sample recovery. A qualitative assessment is made by the field geologist based on drilling conditions and material type. • All vacuum samples were visually checked for recovery, moisture and contamination and no recovery problems were encountered. Geologists comment when recovery is poor or ground conditions are wet. • Core recovery does not appear to have been recorded. • No relationship exists between sample recovery and grade. Sampling bias is not considered to be an issue.
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.*	• Chip trays were used to record samples from each 0.5m interval. All holes were field logged by company geologists. Weathering, lithology, alteration and mineralogy information were recorded. • Logging was both qualitative and quantitative. Diamond core was photographed. • All drill holes were logged in full.
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.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*	• The majority of core was sampled whole over 0.25m intervals using a brick chisel or collecting of unconsolidated material by hand. • The vacuum samples for each 0.5 metre of drilling were collected at the rig using a riffle splitter to collect approximately 1.5kg of sample into a calico bag with the remaining sample dropped onto the groundSamples were submitted to Nagrom, Ultratrace, and SGS Laboratories in Perth for a variety of analysis techniques. Samples were dried in a convection oven for 12 hours at 105°C. Dried samples were weighed to determine that they were less than 2kg. 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 160µm pulp. These pulps were split into 200g samples for retention and analysis. • Field QC procedures involved the use of coarse standards, and field duplicates. The field duplicates have accurately reflected the original assay. Recognised laboratories have been used for analysis of samples. The standards are not certified and have no expected value, but the material is homogeneous and produced repeatable results.

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Criteria	JORC Code explanation	Commentary
	• *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 BAJV was to submit the entire sample for analysis. The vacuum samples for each 0.5 metre of drilling were collected at the rig using a riffle splitter to collect approximately 1.5kg of sample into a calico bag with the remaining sample dropped onto the ground, or taken as a field duplicate at a rate of 1:100.
	• *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.*	• Estimates for principal bauxite components of alumina, silica, iron, titania, loss on ignition, and a suite of trace elements were analysed by X-Ray Fluorescence Spectrometry (XRF) at Nagrom, Ultratrace, and SGS Laboratories in Perth. Samples returning greater than or equal to 27% total 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.
	• *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. 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.*	• RPM has not independently verified significant intersections of mineralisation. The shallow vacuum holes were drilled through the laterite profile and were not drilled to intersect bedrock. Recovered vacuum samples are generally composed of gravel, pisolites, or clay and no visual distinction can be made between 'bauxite ore' and barren material. RPM viewed assay results returned in digital files from Nagrom laboratory which confirmed the mineralised intersections recorded in the Aurora database.
	• *The use of twinned holes.*	• A total of 39 twinned holes were drilled which confirmed the geology and geochemistry. The twinned holes had nominal co-ordinates and so were excluded from the resource estimate.
	• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*	• 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 directly into laptops to ensure consistency of coding and minimise data entry errors. Logging was described using the BAJV Bauxite Logging Codes preloaded into the data logger.
	• *Discuss any adjustment to assay data.*	• Where samples returned values of less than 27% total alumina, no BOMB digest was carried out. A multiple linear regression analysis was performed to produce calculated values for both available alumina and reactive silica. Calculated values make up 12% of the samples at Aurora. Comparisons between actual and calculated values show a very good correlation for available alumina and a reasonable correlation for reactive silica showing a slight bias at higher grades.
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.*	• All the drill holes used in the resource estimate have been accurately surveyed in MGA94 grid co-ordinates. Down hole surveys have not been taken as drill holes are all less than 35m in depth and drilled vertically through the predominantly flat lying laterite.
	• *Specification of the grid system used.*	• Collars have been located in UTM, MGA94, Zone 50S co-ordinates.
	• *Quality and adequacy of topographic control.*	• Topographic surface based on Geoscience Australia's 250K topography series containing 5m contour data. The 4,661 surveyed Aurora collar points were used to adjust the surface over the deposit area.
Data spacing and	• *Data spacing for reporting of Exploration Results.*	• The nominal drill hole spacing is on a regular 80m by 80m grid with some areas drilled to a minimum 5m by 5m regular

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distribution	• *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.*	grid. • The mineralised domains have demonstrated sufficient continuity in both geological and grade continuity to support the estimation of Mineral Resource, and the classifications applied under the 2012 JORC Code. • Samples have been composited to 0.5m lengths using best fit techniques. There were no residual sample lengths.
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 BAJV. The individual calico bags are placed in lots of 10 into sealed plastic bags which in turn are placed in polyweave bulka bags on site. These remain on site until between 600 and 800 samples accumulate at which time the bulka bags are taken either directly to the laboratory in Perth or to the BAJV warehouse. The samples are transported to Perth by BAJV field personnel. BAJV employees have no further involvement in the preparation or analysis of the samples once they are delivered to the laboratory.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• A review of sampling techniques was carried out in the field by Mr G de la Mare (an employee of BAJV at that time) and now a full time employee of RPM.

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 E70/2692 and E70/3064. E70/3064 is 100% managed by the BAJV, a joint venture between BRL and Yankuang Pty Ltd, with BRL the registered tenement holder. The Company hold no interest in E70/2692 however the resource on this tenement falls entirely within a Minerals to Owner freehold property 100% owned by BRL.The deposit lies entirely on a small number of private landholdings. • E70/3064 is 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 Aurora 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 and the resource distribution are shown on the attached map in Appendix 3 of this report.
		• 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 equivalent values should be clearly stated.*	• Exploration results are not being reported. • Aggregate intercepts are not incorporated. All sampling intervals are at even 0.5m intervals. • Metal equivalent values are not being reported.

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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 • The bauxite lodes are flat lying following the profile of the gently undulating topography. • The vertical drill holes through the horizontal bauxite mineralisation results in true widths being recorded.
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 Mineral Resource report main body of text.
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.*	• Planned drill holes were located in the field using a hand held GPS (accuracy to 4m). Once the hole was completed, the collar was surveyed by a licensed surveyor (accuracy to 1cm). • 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.*	• Bulk samples were collected in 2010 but the vast majority of the deposit is based on vacuum drill results and limited diamond drill core.
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.*	• At present, BAJV is focussed on progressing the nearby Felicitas deposit and no further work is planned at Aurora in the short term. • Refer to diagrams in the body of text within the Mineral Resource Report.

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.*	• Field logging is completed directly into pre-set logging templates running on an Acquire platform. Finalised logs are uploaded directly to the rOredata database. 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. 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 was conducted at the nearby Felicitas deposit in August 2011 by Mr G de la Mare (an employee of BAJV at that time) and currently a full time employee of RPM.
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 bauxite material applied in the interpretation process. • The deposit is tabular in geometry, with clear boundaries which define the mineralisation. • The mineralised domains are wireframed based on geochemistry and geological logging. • The laterite profile is composed of an overlying gravel layer of between 0.5m and 2m thickness, a bauxite layer up to 11.5m thick, and an underlying clay zone. Geochemistry has been used to define the bauxite material. The laterite profile follows the undulating topography and is laterally extensive.
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 Aurora North resource area extends over a strike length of 1.2km (from 6,533,760mN – 6,534,950mN), has an average width of 1.3km (from 418,160mE to 419,480mE) and was modelled from surface to a depth of approximately 11.5m below surface. • The Aurora South resource area extends over a strike length

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		of 5.4km (from 6,525,675mN – 6,531,110mN), has an average width of 0.8km (from 419,850mE to 420,610mE) and was modelled from surface to a depth of approximately 10m below surface.
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.*	• Using parameters derived from modelled variograms, Ordinary Kriging (OK) was used to estimate average block grades within the bauxite domain for 7 elements; available alumina, reactive silica, Al_2O_3, SiO_2, Fe_2O_3, TiO_2 and V_2O_5. No high grade cuts were deemed necessary. • Surpac software was used for the estimations. • Three dimensional mineralized wireframes were used to domain the bauxite material. To form ends to the wireframes, the end section strings were copied to a position midway to the next section or to 20m. Drill hole sample data was coded using the wireframes and composited to 0.5m lengths using the best fit technique. • Down hole and directional variograms were modeled using traditional or normal score transformations depending on the skewness of the datasets.
	• *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.*	• No previous mining activity has taken place at Aurora. A Resource estimate was initially reported by Xstract in May 2010. A backlog of Aurora assays were returned in November 2011 which resulted in BAJV reporting a revised estimate in December 2011. The updated resource estimate showed negligible change from the Xstract estimate. For this RPM update, only the bulk density applied to the model was adjusted, therefore the reported tonnage has changed but the grades have remained the same.
	• *The assumptions made regarding recovery of by-products.*	• It is assumed that there will be no by-products recovered from the mining of bauxite.
	• *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).*	• The non-grade elements estimated are Fe_2O_3, TiO_2 and V_2O_5. The deleterious elements estimated are reactive silica and whole rock SiO_2.
	• *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.*	• The block model used a parent block size of 20m NS by 20m EW by 1m vertical with sub-cells of 5m by 5m by 0.5m. The parent block size was selected on the basis of being approximately 50% of the average drill hole spacing in the deposit. Block discretisation was set to 4 by 4 by 2. An orientated 'ellipsoid' search was used to select data and was based on parameters taken from the variography. • For the Aurora North deposit, three passes were used; the first pass used a range of 60m, with a minimum of 10 samples. For the second pass, the range was extended to 90m, with a minimum of 10 samples. The third and final pass had a range of 240m, with a minimum of 4 samples. • For the Aurora South deposit, three passes were used; the first pass used a range of 40m, with a minimum of 10 samples. For the second pass, the range was extended to 80m, with a minimum of 10 samples. The third and final pass had a range of 210m, with a minimum of 6 samples. A maximum of 30 samples was used for each pass. A maximum of 4 samples per hole was used. A hard boundary was applied to the estimation.
	• *Any assumptions behind modelling of selective mining units.*	• Selective mining units were not modelled. At this early stage of resource definition, BAJV has yet to decide upon suitable mining methods and equipment.
	• *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 not 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 wireframes were constructed using cross sectional interpretations based on observed changes in down hole geochemistry and the lithological logging codes. The basal extent of mineralisation was determined by a noticeable increase in reactive silica with an associated drop in available alumina in conjunction with observed lithological logging. The wireframes were applied as a hard boundary in the estimate.
	• *Discussion of basis for using or not using grade cutting or*	• To assist in the selection of appropriate high grade cuts, log-probability plots and histograms were generated. The data

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	capping. • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	from the bauxite domain typically showed normal distributions for all the elements except for reactive silica and total silica each of which demonstrates a slight positively skewed dataset. 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 are required. • A three step process was used 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 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 completed for 40m northings and 1m bench heights. 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.
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. • Bauxite is defined under the JV agreement 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 Aurora 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 be 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.*	• BAJV is of the opinion that the Aurora bauxite material could be refined using the industry recognised Bayer Processing method based on the geochemical properties of the material.
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 Aurora deposit 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 nearby 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. • The bulk density of the mineralisation and waste material was assigned. This is considered adequate for an Indicated

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		and Inferred Mineral Resource.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.*	• Mineral Resources were classified in accordance with the Australasian Code for the Reporting of Identified Mineral Resources and Ore Reserves (JORC, 2012). The Aurora North deposit has been drilled on a predominantly 40m by 40m grid whilst the Aurora South deposit has been drilled on a predominantly 20m by 20m grid. The mineralisation trend shows good continuity of the main mineralised zone allowing the drill hole intersections to be modelled into a coherent, geologically robust wireframe. The resource was classified as Indicated and Inferred Mineral Resource. The Indicated portion of the resource was defined where the drill spacing was at least 40m by 40m, continuity of mineralisation was robust through the thickest bauxite zones, no calculated assays were used, and drill collars were surveyed. The Inferred portion of the resource was defined over the remainder of the deposit which includes the peripheral zones where the wireframes were extended past the last lines of drilling. The exclusion zones at Aurora North have not been classified or reported as there is no reasonable prospect for extraction of bauxite within these areas.
	• *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).*	• 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 and geochemical understanding producing a robust model of a laterally extensive, tabular bauxite domain. Validation of the block model shows good correlation of the input data to the estimated grades.
	• *Whether the result appropriately reflects the Competent Person's view of the deposit.*	• 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 relative accuracy of the estimate could be affected by the use of multi-linear regression to determine assays for intervals which were initially screened out at the laboratory. The fact that these calculated values make up only 1% of the composites within the bauxite domains suggests the effect is negligible. The calculated values correlate well with assayed values (where both values are available). The use of geochemistry and down hole logging has allowed the determination of the bauxite domain to be defined with a high degree of confidence.
	• *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 Mineral Resource statement relates to global estimates of tonnes and grade.

JORC Table 1 - Cardea 3 bauxite resource

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.*	• The deposit was sampled using Vacuum (VAC) drilling with sampling at even 0.5m intervals. Holes were drilled on a staggered regular grid at a nominal spacing of 80m by 80m. Holes were drilled vertically to intersect the mineralised zones optimally.
	• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*	• Drill holes used in the Cardea3 resource estimate included 457 vacuum holes for a total of 1,107m within the resource wireframes.
	• *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*	• The drill hole collars in the supplied database have been accurately located with coordinates in MGA94 grid system. Down hole surveys have not been taken as drill holes are all less than 14m in depth and drilled vertically through the predominantly flat lying laterite. • Vacuum samples were collected at 0.5m intervals. Whole samples were taken when total sample return was less than 2kg. A twin riffle splitter was used for samples weighing

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Criteria	JORC Code explanation	Commentary
	submarine nodules) may warrant disclosure of detailed information.	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 vacuum 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 vacuum samples were weighed. This provides an indirect record of sample recovery. A qualitative assessment is made by the field geologist based on drilling conditions and material type. • All vacuum samples were visually checked for recovery, moisture and contamination and no recovery problems were encountered. Geologists comment when recovery is poor or ground conditions are wet. • No relationship exists between sample recovery and grade. Sampling bias is not considered to be an issue.
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.*	• Chip trays were used to record samples from each 0.5m interval. All holes were field logged by company geologists. Weathering, lithology, alteration and mineralogy information were recorded. • Logging was both qualitative and quantitative. • All drill holes were logged in full.
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.* • *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.*	• No diamond holes were drilled. • All 0.5m vacuum samples were collected at the rig Typically, entire samples were analysed. The vacuum samples for each 0.5 metre of drilling were collected at the rig using a riffle splitter to collect approximately 1.5kg of sample into a calico bag with the remaining sample dropped onto the ground. • Samples were submitted to Nagrom, Laboratory in Perth for a variety of analysis techniques. Samples were dried in a convection oven for 12 hours at 105°C. Dried samples were weighed to determine that they were less than 2kg. 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 160µm pulp. These pulps were split into 200g samples for retention and analysis. • Field QC procedures involved the use of coarse standards, and field duplicates. The field duplicates were collected at a rate of 1:100 and have accurately reflected the original assay. A recognised laboratory has been used for analysis of samples. The standards are not certified and have no expected value, but the material is homogeneous and produced repeatable results. • 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,*	• Principal bauxite components of alumina, silica, iron, titania, and a suite of trace elements were analysed by X-Ray Fluorescence Spectrometry (XRF) at Nagrom Laboratory in Perth. Loss on ignition was determined gravimetrically after heat exposure at 1,000C. Samples returning greater than or equal to 27% total alumina underwent low temperature caustic (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 estimate.

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Criteria	JORC Code explanation	Commentary
	calibrations factors applied and their 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.*	• 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. 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. The shallow vacuum holes were drilled through the laterite profile and were not drilled to intersect bedrock. Recovered vacuum samples are generally composed of gravel, pisolites, or clay and no visual distinction can consistently be made between 'bauxite ore' and barren material. RPM viewed assay results returned in digital files from Nagrom laboratory which confirmed the mineralised intersections recorded in the Cardea3 database. • No twinned holes were drilled at Cardea3. • BRL geologists logged all drill samples at the rig, with a minimum logging interval of 0.5m. All logging data was captured directly into laptops to ensure consistency of coding and minimise data entry errors. Logging was described using the BRL Bauxite Logging Codes preloaded into the data logger. • Where samples returned values of less than 27% total alumina, no BOMB digest was carried out. A multiple linear regression analysis was performed to produce calculated values for both available alumina and reactive silica. Calculated values make up 25% of the samples at Cardea3. Comparisons between actual and calculated values show a very good correlation for available alumina and a reasonable correlation for reactive silica showing a slight bias at higher grades. Only 2% of calculated values occur within the Cardea3 resource wireframe.
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 drill holes used in the resource estimate have been accurately surveyed in MGA94 grid co-ordinates. Down hole surveys have not been taken as drill holes are all less than 14m in depth and drilled vertically through the predominantly flat lying laterite. • Collars have been located in UTM, MGA94, Zone 50S co-ordinates. • Topographic surface based on Geoscience Australia's 250K topography series containing 5m contour data. The surveyed Cardea3 collar points were used to adjust the surface over the deposit area.
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 on a staggered regular 80m by 80m grid. • The mineralised domains have demonstrated sufficient continuity in both geological and grade continuity to support the estimation 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.
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. The individual calico bags are placed in lots of 10 into sealed plastic bags which in turn are placed in polyweave bulka bags on site. These remain on site until taken to the laboratory in Perth. The samples are transported to Perth by BRL field personnel. BRL employees have no further involvement in the preparation or analysis of the samples once they are delivered to the laboratory.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• A review of sampling techniques was carried out in the field by Mr G de la Mare (an employee of BRL at that time) and now a full time employee of RPM.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary

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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 two exploration licenses E70/3160 held by Bauxite Resources Limited, and E70/3432 held by BAJV. The deposit lies entirely on a small number of 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 Cardea3 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 and the resource distribution are shown on the attached map in Appendix 3 of this report.
		• 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 equivalent values should be clearly stated.*	• Exploration results are not being reported. • Aggregate intercepts are not incorporated. All sampling intervals are 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 mineralisation orthogonally • The bauxite lodes are flat lying following the profile of the gently undulating topography. • The vertical drill holes through the horizontal bauxite mineralisation results in true widths being recorded.
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 Mineral Resource report main body of text.
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.*	• Planned drill holes were located in the field using a hand held GPS (accuracy to 4m). Once the hole was completed, the collar was surveyed by a licensed surveyor (accuracy to 1cm). • 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.*	• Besides vacuum drill samples, no other exploration data has been compiled for the Cardea3 deposit.
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*	• At present, BRL is focussed on progressing the nearby Fortuna deposit and no further work is planned at Cardea3 in the short term. • Refer to diagrams in the body of text within the Mineral Resource Report.

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Criteria	JORC Code explanation	Commentary
	areas, provided this information is not commercially sensitive.	

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.*	• Field logging was completed directly into pre-set logging templates running on an Acquire platform. Finalised logs were uploaded directly to the rOredata database. The database was validated by rOREdata before being sent to BRL geologists. All drill logs were validated digitally by the database geologist once assay results were 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 was conducted in August 2011 by Mr G de la Mare (an employee of BRL at that time) and currently a full time employee of RPM.
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 bauxite material applied in the interpretation process. • The deposit is tabular in geometry, with clear boundaries which define the mineralisation. • The mineralised domains are wireframed based on geochemistry and geological logging. • The laterite profile is composed of an overlying gravel layer of between 0.5m and 2m thickness, a bauxite layer up to 11.5m thick, and an underlying clay zone. Geochemistry has been used to define the bauxite material. The laterite profile follows the undulating topography and is laterally extensive.
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 Cardea3 resource area extends over a strike length of 3.8km (from 6,518,885mN – 6,522,695mN), has an average width of 1.8km (from 437,940mE to 439,770mE) and was modelled from surface to a depth of approximately 11.5m below surface.
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 search*	• Using parameters derived from modeled variograms, Ordinary Kriging (OK) was used to estimate average block grades within the bauxite domain for 7 elements; available alumina, reactive silica, Al_2O_3, SiO_2, Fe_2O_3, TiO_2 and V_2O_5. No high grade cuts were deemed necessary. • Surpac software was used for the estimations. • A single three dimensional mineralized wireframe was used to domain the bauxite material. To form ends to the wireframe, the end section strings were copied to a position midway to the next section or to 40m from the last mineralised section. Drill hole sample data was coded using the wireframe and composited to 0.5m lengths using the fixed length technique. • The maximum distance of extrapolation from data points for an estimated block was 160m. • Down hole and directional variograms were modeled using traditional, or normal score transformations depending on the skewness of the datasets. • No previous mining activity has taken place at Cardea3. A Resource estimate was reported for Cardea3 in September 2011 by BRL. For this RPM update only the bulk density applied to the model has been adjusted, therefore the tonnage has changed but the grades have remained the same. • 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, TiO_2 and V_2O_5. The deleterious elements estimated are reactive silica and whole rock SiO_2. • The parent block size was 40m NS by 40m EW by 1m vertical with sub-cells of 10m by 10m by 0.5m. The parent block size was selected on the basis of being approximately 50% of the average drill hole spacing in the deposit. Block discretisation

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Criteria	JORC Code explanation	Commentary
	employed. • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	was set to 4 by 4 by 2. An orientated 'ellipsoid' search was used to select data and was based on parameters taken from the variography. Three passes were used; the first pass used a range of 160m, with a minimum of 10 samples. For the second pass, the range was extended to 200m, with a minimum of 10 samples. The third and final pass had a range of 240m, with a minimum of 4 samples. A maximum of 32 samples was used for each pass. A maximum of 4 samples per hole was used. A hard boundary was applied to the estimation. • Selective mining units were not modelled. At this early stage of resource definition, BRL has yet to decide upon suitable mining methods and equipment. • There is a strong positive correlation between Al_2O_3 and available alumina. Both Al_2O_3 and available alumina show a strong negative correlation with Fe_2O_3. The remaining elements are un-correlated. • The deposit mineralisation was constrained by a single wireframe constructed using down hole geochemistry and associated lithological logging. The wireframe was constructed using cross sectional interpretations based on observed changes in down hole geochemistry and the lithological logging codes. The basal extent of mineralisation was determined by a noticeable increase in reactive silica with an associated drop in available alumina, in conjunction with observed lithological logging. The wireframe was applied as a hard boundary in the estimate. • 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, each of which demonstrated a slight positively skewed dataset. 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, suggested that no high grade cuts were required. • A three step process was used 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 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 completed for 80m northings and 2m bench heights. 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.
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. • Bauxite is defined under the JV agreement 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 Cardea3 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 be 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*	• 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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Criteria	JORC Code explanation	Commentary
	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.	
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 Cardea3 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 nearby 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 was considered a conservative assignment of bulk density to allow for void spaces present in the material. • The bulk density of the mineralisation and waste material was assigned. This was considered adequate for an Indicated and Inferred Mineral Resource.
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). The Cardea3 deposit has been drilled on a predominantly 80m by 80m grid. The mineralisation trend shows good continuity of the main mineralised zone allowing the drill hole intersections to be modelled into a coherent, geologically robust wireframe. The resource was classified as Indicated and Inferred Mineral Resource. The Indicated portion of the resource was defined where the drill spacing was at 80m by 80m, continuity of mineralisation was robust through the thickest bauxite zones where limited or no calculated assays were used, and supported by kriging efficiencies of greater than 90%. The Inferred portion of the resource was defined over the remainder of the deposit which includes the peripheral zones where the wireframe has been extended past the last lines of drilling. • The input data was comprehensive in its coverage of the mineralisation and does not favour or misrepresent in-situ mineralisation. The definition of mineralised zones was based on high level geological understanding producing a robust model of a single mineralised domain. Validation of the block model showed 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 and these have 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.*	• The relative accuracy of the estimate could be affected by the use of multi-linear regression to determine assays for intervals which were initially screened out at the laboratory. The fact that these calculated values make up only 2% of the composites within the bauxite domains suggests the effect is negligible. The calculated values correlate well with assayed values (where both values are available). The use of geochemistry and down hole logging has allowed the determination of the bauxite domain to be defined with a high degree of confidence. • The Mineral Resource statement relates to global estimates of tonnes and grade.

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Criteria	JORC Code explanation	Commentary
	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 deposit has not previously been mined and is not currently being mined.

SCHEDULE OF MINING TENEMENTS HELD AS AT 31 DECEMBER 2013

YANKUANG JOINT VENTURE INTERESTS

Bauxite Resources Limited has 30% interest in the bauxite rights on the tenements below.
BRL retain 100% interest in other minerals on tenements below except E70/3366 and E70/3730

Tenement	Location/ Tenement Name	Status		Tenement	Location/ Tenement Name	Status
E70/3366	Mackrin Hill	Granted		E70/3651	Mt Talbot	Granted
E70/3730	Bakers Hill	Granted		E70/3487	Hotham	Granted
E70/3826	Silver Hills	Granted		E70/3488	Kokendin	Granted
E70/3002	Berry Brow	Granted		E70/3490	Neika	Granted
E70/3003	Red Hill	Granted		E70/3491	Minigin	Granted
E70/3007	Gillingarra	Granted		E70/3623	Williams	Granted
E70/3064	Bindoon	Granted		E70/3565	Dinninup	Granted
E70/3159	Jimperding	Granted		E70/3572	Wahkinup	Granted
E70/3432	West Toodyay	Granted		E70/3573	Condinup	Granted
E70/3564	Bejoording	Granted		E70/3574	Gnowergerup	Granted
E70/3597	Boonaring Hill	Granted		E70/3575	Carlotta	Granted
E70/3598	Coolingoort	Granted		E70/3614	Lindsay	Granted
E70/3629	Thompson Road	Granted		E70/3624	Mokup Hill	Granted
E70/3688	Kodara	Granted		E70/3643	Crossing Pool	Granted
E70/3731	Bakers Hill	Granted		E70/3644	Moodiarrup	Granted
E70/3900	Jimperding Hill	Granted		E70/3656	Transmission line	Granted
E70/4021	Miwana	Granted		E70/3832	Kojonup	Granted
E70/4022	Boononging	Granted		E70/3835	Bakers Hill	Granted
E70/3206	Mt Gorrie	Application		E12/2	Collie	Application
E70/3319	Moora	Application		E70/3164	Balingup	Application
E70/3433	Muchea West	Application		E70/3205	Hotham	Application
E70/3193	Beechina	Application		E70/3471	Boyup Brook	Application
E70/3528	Avon Valley	Application		E70/3472	Mairdebring	Application
E70/3537	Bald Hill	Application		E70/3539	Grimwade	Application
E70/3707	Trig Road	Application		E70/3540	Wilga West	Application
E70/4010	Woorooloo	Application		E70/3576	Darkan	Application
E70/4011	Keating Road	Application		E70/3577	Keralarup	Application
E70/3485	Taurus	Application		E70/3578	Ginganup	Application
E70/3486	Coodjatotine	Application		E70/3837	Walgarrup River	Application
E70/3746	Dryandra	Application		E70/3903	Gregory Road	Application
E70/3102	Collie Road	Application		E70/3979	Donnelly River	Application
E70/3194	Jarrahdale	Application		E70/3980	Savage Creek	Application
E70/3195	Harvey	Application		E70/3981	Donnelly River 2	Application
E70/3196	Dandalup	Application		E70/3836	Peach Hill	Application
E70/3197	Pt Solid	Application				
E70/3204	Wugong	Application				

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HD MINING & INVESTMENTS JOINT VENTURE TENEMENTS (Farm out Agreement)

The JV requires HD Mining to fund 100% of all exploration and feasibility costs to earn up to 60% of the bauxite rights. HD Mining is currently working towards obtaining 40% interest in the bauxite rights on the tenements below. This will be triggered if HD Mining enters into a binding commitment to undertake a feasibility study on the tenements. Should HD Mining and BRL make a decision to mine, HD Mining will earn an additional 20% interest in bauxite rights. BRL maintains 100% interest in other minerals. At the date of this report BRL still has 100% interest in these tenements.

Tenement	Location/ Tenement Name	Status
E70/3160	Toodyay	Granted
E70/3405	Victoria Plains	Granted
E70/3179	Congelin	Granted
E70/3180	Dattening	Granted
E70/3890	Wandering	Granted
E70/3599	Goodenine Pool	Application

BRL TENEMENTS (100%)

BRL retain 100% interest in bauxite and other minerals on the following tenements

Tenement	Location/ Tenement Name	Status
E70/4151	Munnapin Brook	Granted
E70/3618	Popanyinning	Granted
E70/3652	Quanamining	Granted
E70/4342	Narrogin	Granted
E70/3627	Yornup	Granted
E70/3628	Division Road	Granted
E70/4565	Bunyip Road	Application
E70/4530	Boyup Brook	Application
E70/4300	Quindanning	Application
E70/4521	Narrogin North	Application
E70/4522	Narrogin East	Application
E70/4523	Highbury	Application

BRL TENEMENTS (bauxite rights only)

BRL retain 100% bauxite interest on the following tenements

Tenement	Location/ Tenement Name	Status
E70/2230	Wundowie	Granted
P70/1635	Wundowie	Granted
P70/1636	Wundowie	Granted

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