
NENDO PROJECT UPDATE

Pacific Bauxite Limited (ASX: PBX) (**Pacific Bauxite** or **Company**) is pleased to provide the following update on the Nendo Bauxite Project in Solomon Islands.

On 23 November 2018, the High Court of Solomon Islands heard an application for the determination of issues pursuant to r.12.11 of the Court Rules (ASX Announcement 26 November 2018). The Company's 50% owned joint venture company, Eight South Investments Pty Ltd (**JVC**), is the Claimant in those proceedings. The Court reserved its decision and was required to hand its decision down within three months.

The Court subsequently sought additional material regarding the application and heard further submissions from the parties regarding the effects of that additional information (ASX Announcement 18 March 2019).

The parties to the proceeding have been informed by the Associate to the Judge that the Court will deliver its decision in relation to the application in the afternoon on 5 April 2019.

The interim injunction granted to the JVC restraining the Director of the Minerals Board and Minister from accepting any applications from, or granting any conflicting tenements to, any person other than the JVC in relation to any minerals in the area described in PL 01/16, pending the determination of the High Court proceedings by the JVC or earlier order, continues.

The JVC's application has sought:

1. a declaration that the cancellation of PL 01/16 by the Minister was *ultra vires*; alternatively,
2. an order quashing the Minister's decision to cancel PL 01/16; and
3. a declaration that PL 01/16 is valid; and
4. an order that the Defendants pay the Claimant's costs, including reserved costs, with certification for overseas Counsel.

If those orders are made, the JVC will have been successful in its application and the proceedings will be concluded, with the effective return of PL 01/16 to the JVC. If the JVC is unsuccessful it may consider appealing the ruling.

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The JVC has taken steps to renew or extend the term of PL 01/16, pending the outcome of the proceedings.

The Company and JVC representatives will continue to pursue out-of-court negotiations and will aggressively pursue all available options to resolve the matter for the benefit of the Company and other stakeholders and will update the market with any material progress.

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For further information, visit www.pacificbauxite.com.au or contact:

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