



BBX Holdings Limited

ASX/MEDIA RELEASE

11 April 2011

HIGH GRADE TIN-INDIUM PROJECT IN GOIAS, BRAZIL

SIGNS OPTION TO ENTER EARN IN JOINT VENTURE

HIGHLIGHTS

- ◆ **BBX Holdings Limited (ASX: BBX) has entered into an agreement with Crusader Resources Limited (ASX: CAS) that provides an option for BBX to earn up to 75% of the Ouro Belo tin-indium project.**
- ◆ **Previous sampling confirmed high concentrations of mineralisation with the best being tin 4.99% and indium 777 ppm.**
- ◆ **Ouro Belo is largely untested by drilling and potential exists down dip and along strike both to the north and south of the main mineralised zone.**
- ◆ **Global outlook for tin & indium is strong, currently trading at approx US\$33,000/tonne & US\$540/kg respectively.**



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BBX has entered into an option and earn-in agreement with Crusader Resources that gives BBX the opportunity to earn up to 75% of the Ouro Belo tin-indium project in Goias, Brazil.

The project covers an area of approximately 97 square kilometres in the Goias Tin Province, located in the northeast of Goias State, 300 kilometres north of the federal capital of Brazilia.

Exploration to date consists of sampling and mapping of garimpo workings, analysis of published academic studies, surface geochemistry, mapping and shallow RC drilling. The area has a history of garimpeiro (prospector) mining for the tin mineral cassiterite. The garimpeiro workings have targeted both the hard rock and weathered areas to a maximum depth of 4 meters as well as the alluvial wash downhill from the griesen outcrop.

Tin in Brazil

Entering into an agreement over the Ouro Belo Project is the initiation of a strategic move by BBX to build a regional mineral portfolio in Brazil.

Brazil was a significant tin producer during the 1980s primarily from alluvial mining in the north of the country. Very limited hardrock exploration was undertaken other than opportunistic garimpeiro mining, as has occurred at Ouro Belo. The recent global increase in demand is yet to be reflected as increased production or exploration activity in Brazil.

The Goias Tin Belt is recognised as having granites of the right character for tin mineralisation and BBX believes that Ouro Belo provides the company with a first mover opportunity for tin in Brazil, particularly for hardrock mineralisation.

BBX is also attracted to tin as a strategic commodity by its simple metallurgy, typically grinding followed by gravity separation. As a consequence, tin mining generally has low capital costs and potentially provides a quicker path to production.

BBX is also interested in Ouro Belo because of the high abundances of indium, a rare and emerging metal used in electronic displays (mobile phone, plasma screens etc), semi-conductors and solar cells.

Reported Results

Crusader Resources previously conducted a program of mapping and surface sampling to determine to extent on the Sn-In bearing greisens. The program confirmed numerous high concentrations of mineralisation with the best being 777ppm In and 4.99% Sn which were present in veins within the greisens. In total, 100 samples were collected, highlights include:

MNRK068, 4.99% Sn, 70.6 ppm In
MNRK227 0.17% Sn, 127 ppm In
MNRK277 0.99% Sn, 20.8 ppm In
MNRK299 0.68% Sn, 83.8 ppm In

A program of 15 RC drillholes for a total of 1,001 meters established the broadly anomalous character of the greisens for tin and indium (reported 17 September 2008). A zone of Sn-In mineralisation was identified in two adjacent drillholes of 27m @ 577ppm Sn, 8.6 ppm In (MRNC010) and 32m @ 670 ppm Sn, 8.4ppm In (MRNC011). The mineralisation within the main zone remains open along strike and at depth.

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The Global Tin Market

Tin is a soft metal with low melting point, low toxicity and good electrical conductivity. These characteristics have contributed to tin being used primarily in packaging of food, as tin plating of steel cans, and in soldering electrical joints. Tin is also used in the manufacturing of chemical compounds, including fire-proofing cloth, in PVC stabilisers, in pesticides and in wood preservatives.

Recent increasing tin demand has been largely driven by environmental pressure to discontinue the use of lead in soldering, which has resulted in the tin content of solder increasing from 30% to around 97%. On the supply side, Indonesia has reduced illegal tin mining and smelting to support commercial smelters, which consequently has reduced production.

The tin price has increased along with other commodities during the mid-2000s to current levels of around US\$31,000 per tonne. Since 2000 the price of tin has increased by 660%, which exceeds the increase in the copper price of 500% over the same period,



Key Terms of the Agreement

Under the Agreement and subject to due diligence to BBX's satisfaction and any necessary approvals (including shareholder and regulatory approvals), BBX has the right to acquire the following:

- (a) a 51% interest in the JV Vehicle by sole funding expenditure of \$250,000 during the period ending 12 months from the end of the due diligence period; and
- (b) subject to BBX earning a 51% interest in JV Vehicle, a further 24% interest in the JV Vehicle by sole funding expenditure of \$400,000 during the period ending 24 months from the end of the due diligence period.

If the Company elects to exercise the option to acquire the initial 51% interest in the JV Vehicle, ASX has indicated that the Company will be required to re-comply with Chapters 1 and 2 of the listing rules as if it were applying for quotation for the first time.

In consideration for the right, BBX will issue Crusader 2 million ordinary fully paid shares. Conditions to the acquisition must be satisfied by 5 September 2011.

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Current Activities

BBX has commenced due diligence on the Ouro Belo project and is actively reviewing data from the area which may lead to further project acquisitions. BBX is also actively pursuing other mature mineral properties in South America.

For further information, please contact:

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Exploration results in this release were prepared by Dr Christopher Stephens, who is a Member of the Australian Institute of Mining and Metallurgy (AusIMM) and the Australian Institute of Geoscientists (AIG). Dr Stephens is Principal of CJ Stephens Consulting Pty Ltd and a consultant to the Company. Dr Stephens has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code). Dr Stephens consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears. Dr Stephens has not withdrawn his consent prior to the lodgement of this announcement with the ASX.

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