22 August 2017

Ms Sandra Wutete
Senior Advisor
ASX Lisitings Compliance (Perth)

Dear Ms Wutete

ASX Limited query letter relating to BBX Minerals Ltd announcement dated 14 August 2017.

As requested enclosed is BBX's response to the following questions in your query letter dated 21 August 2017, and also related email to BBX on 18 August 2017.

Your letter dated 21 August 2017 repeats a number of the questions required to be responded to in your email dated 18th August 2017, therefore BBX has submitted one response to all matters.

BBX also encloses an updated JORC Compliance table as requested in your email dated 18 August 2017.

In your email dated 18 August 2017 the ASX stated "It appears that the company has conducted metallurgical test-work without the release of assay results. It would be helpful if the company could provide a reason in the announcement as to why it preferred this course of action".

BBX Response: Despite extensive development work conducted in laboratories in Brazil, Australia and Canada BBX has been unable to produce consistent, reproducible analytical results from mineralised rock located on its Apui projects. The Company is therefore focusing on extracting the precious metals from bulk samples of this complex mineralisation in order to provide a reliable estimate of the recoverable precious metal content.

BBX continues to work on developing an analytical method that can reliably reproduce the levels of precious metals currently being extracted from bulk samples.

Responses to your letter of 21 August 2017.

1. The location co-ordinates of all grab sample material that was collected for the 150kg bulk sample

   UTM co-ordinates (WGS84 UTM21S) of the centre and four vertices of the sampled areas are as follows:

Três Estados:	Centre:	224957E	9198539N
	Vertices:	224941E	9198661N
		225035E	9198622N

224950E 9198415N
224855E 9198454N

Ema: Centre: 184189E 9174945N
Vertices: 184115E 9174957N
184154E 9174989N
184232E 9174895N
184193E 9174863N

2. Full details of the grab sample methodolgy and confirmation of the basis for selecting the grab sample material.

   BBX Response: A large rock chip, or a series of chips weighing from 0.5kg to 1kg was/were arbitrarily taken from every unweathered (fresh) boulder and outcrop within the sampled areas. No visual basis was used in selecting individual sample points.

3. Full details of the logging of the samples setting out the following

   a. The rock type
   BBX response The rock type is an equigranular gabbro, comprising pyroxene, placioclase and anciliary magnetite.

   b. The degree of weathering and
   BBX Response The bulk sample was taken from totally unweathered (fresh) rock

   c. The nature of the mineralisation:

   BBX response The nature of the mineralisation is currently unknown. A finely-disseminated, unidentified silver-gold mineral, possibly a sulphide, comprising around 0.5% of the rock mass has been observed in the majority of chip samples, but it is not clear if this mineral is directly linked with the precious metals recovered from the samples. There is no visible sign of hydrothermal alteration in the rock mass.

4. Confirmation of whether the grab sample material was loose material upon the ground or rock chips taken from in-situ outcropped material, of the two or some other sample type.

   BBX Response: The "grab samples" at both Três Estados and Ema are in fact a combination of surface grab samples and bulk chip samples (see point 2).

5. Full details of sub-sampling methodology clearly stating how the bulk sample was aggregated and the methods used to generate the 5kg sample for analysis.

   BBX response: The 5kg sample for metallurgical test work was a split from a 150kg bulk sample which was crushed and ground in a ball mill to 70% -100# and split using a riffle splitter.

6. The wording of the g/t assay results imply a total analysis of the 5kg bulk sample. Is this the case or is this an analysis of a sub-sample or leached product back calculated to the original bulk sample weight? A detailed clarification of the calculation methodology needs to be disclosed to adequately explain the “combined gold result”.

   BBX response: The results announced for the 5kg bulk sample was not an assay result but a metallurgical extraction test result, representing the total gold and silver extracted from the 5kg sample following smelting of the entire sample. The result therefore, effectively represents a total analysis of the sample. The combined weight of contained gold and silver in the five recovered buttons, as shown in the table, was back-calculated to the original weight.

   The g/t value for the original bulk sample is calculated by dividing the combined weight in grams of each metal in the buttons by the weight of the sample in grams (5,000) and then multiplying the result by 1,000,000 (grams in 1 tonne).

   The five buttons were assayed by conventional fire assay having been scanned by SEM (scanning electron microscope) prior to assay to confirm the presence of precious metals.

7. The analytical methods used for determination of Au/Ag/Pt/Pd should be clearly outlined in section 1 of JORC table 1. For example, was Ag determined by titration and was any additional silver added to samples in fire assay?

   BBX response: The analytical method used for the three Três Estados assays was routine fire assay with a lead collector on a 25g sub-sample following a proprietary pre-leach step and precipitation of precious metals with aluminium and sodium hydroxide. The sub-sample was generated as a second split from a previously split 100g pulverised sample from an original 300kg bulk sample. Silver was not determined in this case and no silver was added to the sample.

   Recovery of the products of the Ema metallurgical test was carried out as follows. After smelting, the resulting metallic buttons were dissolved in nitric acid, filtered and sodium chloride added to the solution to precipitate silver. The resultant precipitate was cupelled to form a silver button which was weighed on a micro-balance. The filtered residue was dissolved in aqua régia and ferrous sulphate added to the solution to precipitate gold, which was cupelled and weighed on a microbalance. Ammonium chlorate was added to the solution to precipitate PGM´s but no precipitate was obtained.

8. We note variations in processes are noted for Test 3 at the Nomos Facility. Please clarify in full any different analytical methods

   BBX Response: The variation referred to in test 3 was a slight modification in the fire assay flux, involving the addition of potassium hydroxide.

9. Explanation of any QAQC completed and verification of sampling and assaying methods should be clearly outlined in Table 1 for results of this significance. If this work has not been completed it should be clarified as to why not and what further work is planned to verify the results.

   BBX Response: The three Três Estados samples were assayed in conjunction with a blank and a certified standard for gold, platinum and palladium. The blank reported levels below detection limit for all three metals and the results of the standard are within acceptable limits. (+/- 10%)

   The field sampling at both localities was supervised by the Company´s Senior Geologist, A. Moreira. The entire Ema metallurgical extraction process was personally supervised by the Company´s Exploration Manager and CP, A. de Castro.

   The QAQC for EMA bulk samples was undertaken through personal supervision by Mr.de Castro of the whole process ensuring that no potential sources of contamination were present, including checking that the bulk smelting process was conducted after the furnace had been completely relined and that new crucibles were used for each determination. The metal buttons were weighed and photographed prior to being personally transported by Mr. de Castro to the Nomos laboratory for final analysis.

10. Please confirm that BBX is in compliance with Lisiting Rules and in particular, Listing Rule 3.1

    BBX Response : The board of BBX confirms that it is in compliance with the ASX Listing Rules and in particular Listing Rule 3.1.

11. Please confirm that BBX's responses to the questions above have been authorised and approved in accordance with its published continueous disclosure policy or otherwise by its board or an officer of BBX with delegated authority from the board to respond to ASX on disclosure matters.

    BBX Response: The BBX board confirms that all the above responses have been approved and authorised in accordance with its published continuous disclosure policy.

An updated version of the JORC table is attached (see below):

Yours Sincerely

Jeff McKenzie
CEO
BBX Minerals Ltd
+64 22 3421271
Jeff.McKenzie@bbxminerals.com.au

The following Table and Sections are provided to ensure compliance with JORC Code (2012 Edition).

TABLE 1 – Section 1: Sampling Techniques and Data

Criteria	JORC Code Explanation	Commentary
Sampling Techniques	• Nature and quality of sampling (e.g. 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 announcement refers to metallurgical testwork and assays conducted on bulk surface grab samples. Fist-sized chip samples were arbitrarily taken from every rock exposure and loose boulder within the sample area and aggregated into a single bulk sample.
	• Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	• Samples were taken from every exposure and large boulder in an effort to ensure representatively.
	• Aspects of the determination of mineralisation that are Material to the Public Report. In cases where "industry standard " work has been done this would re relatively simple (e.g. 'reverse circulation drilling was used to obtain 1m samples from which 3kg was pulverised to produce a 30g 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 (e.g. submarine nodules) may warrant disclosure of detailed information.	• The bulk samples used for the tests reported in this announcement were obtained by collecting surface grab and chip samples, taken from every rock exposure and loose boulder over an area of approximately 100 by 40 metres (Ema) and 200 by 110 metres (Três Estados).
Criteria	**JORC Code Explanation**	**Commentary**
Drilling Techniques	• Drill types (e.g. core. reverse circulation. open hole hammer. rotary air blast. auger. Bangka. sonic etc) and details (e.g. core diameter. triple or standard tube. depth of diamond tails.	• Drill results are not included in this announcement

	face- sampling bit or other type. whether core is oriented and if so by what method etc).	
Drill Sample Recovery	• Method of recording and assessing core and chip sample recoveries and results assayed.	• Drill results are not included in this announcement
	• Measures taken to maximise sample recovery and ensure representative nature of the samples.	• Drill results are not included in this announcement
	• Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine /course material.	• Drill results are not included in this announcement
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.	• Each sampled area was geologically mapped and the composition of the sub-samples comprising the bulk sample recorded. In the case of the sampled areas reported in this announcement the rock type is a homogeneous gabbro with no visible variation over the sampled areas.
	• Whether logging is qualitative or quantitative in nature. Core (or costean. channel. etc) photography.	• Drill results are not included in this announcement
	• The total length and percentages of the relevant intersections logged.	• Drill results are not included in this announcement
Sub- Sampling Techniques and Sampling Procedures	• If core. whether cut or sawn and whether quarter. half or all core taken.	• Drill results are not included in this announcement
	• If non-core. whether riffled. tube sampled. rotary split etc and whether sample wet or dry.	• Drill results are not included in this announcement
	• For all sample types. the nature. quality and appropriateness of the sample preparation technique.	• Sample preparation was conducted in the Nomos laboratory, Rio de Janeiro, Brazil, involving crushing, grinding and splitting of 150kg and 300kg bulk samples. • The entire bulk samples were crushed to – 9mm and ground in a ball mill to 70% -100#. Test samples were then split from the ground sample using a riffle splitter.

	• Quality control procedures adopted for all sub – sampling stages to maximise "representivity" of samples.	• Grinding of the entire sample was carried out to maximise representatively of the samples for testing.
	• 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 bulk samples were collected at random from all exposed outcrops and loose boulders, and were not subject to visible signs of mineralisation.
	• Whether sample sizes are appropriate to the grain size of the material being sampled.	• The sample size is regarded as adequate for indicative metallurgical tests and assays. The mineralisation is believed to be finely disseminated throughout the rock mass sampled.
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.	• The techniques reported in this announcement, involving pre-leaching, total fusion and subsequent fire assay of the recovered metal buttons for the metallurgical recovery test and pre-leaching followed by fire assay for the analytical results are regarded as appropriate for material which does not respond to conventional analytical techniques. • As the extraction methodology is still in the developmental phase it may represent only a partial recovery method for gold and other precious metals.
	• For geophysical tools. spectrometers. hand held 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 or electronic device was used in the generation of sample results
	• Nature of quality control procedures adopted (e.g. standards. blanks. duplicates. external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias)	• Not applicable for metallurgical testwork. • A blank and a certified standard were included in the batch of 3 samples for which analytical results are reported in this announcement. The results of

	and precision have been established.	the standard are within acceptable limits.
Verification of Sampling and Assaying	• The verification of significant intersections by either independent or alternative company personnel.	• Not applicable
	• The use of twinned holes	• Drill results are not included in this announcement
	• Documentation of primary data. data entry procedures. data verification. data storage (physical and electronic) protocols.	• Results for this testwork were supplied digitally, directly to BBX´s Exploration Manager by Marcelo da Silva Pinto ME and Nomos
	• Discuss any adjustment to assays	• No adjustments were made.
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 Mine Resource estimation	• Drill results are not included in this announcement
	• Specification of grid system used	• WSG84Z21.
	• Quality and adequacy of topographic control.	• Topographic control is achieved via the use of government topographic maps. in association with GPS and Digital Terrain Maps (DTM´s).
Data Spacing and Distribution	• Data spacing for reporting of Exploration results.	• The sample subject of the metallurgical test reported in this announcement was collected over a surface area of approximately 4,000 square metres, and the assay results from a sample collected over an area of 22,000 square metres.
	• 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 classification applied.	• No representations of extensions, extrapolations or otherwise continuity of grade are made in this announcement.
	• Whether sample compositing has been applied.	• Drill results are not included in this announcement
Orientation of Data in relation to Geological Structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which is known. considering the deposit type.	• The samples subject of this announcement were collected without bias from a series of surface outcrops and boulders.

	• 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 results are not included in this announcement
Sample security	• The measures taken to ensure sample security.	• The bulk samples were air freighted in sealed bags directly to the Nomos laboratory where the sample preparation was directly supervised by the Exploration Manager. The prepared sample for metallurgical testing was personally delivered to the Marcelo de Silva Pinto ME facility by the Exploration Manager.
Audit or Reviews	• The results of any audits or reviews of sampling techniques and data.	• No audits or external reviews of techniques have been conducted.

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 Ema and Três Estados leases are 100% owned by BBX with no issues in respect to 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 licence to operate in the area	• The company is not aware of any impediment to obtain a licence to operate in the area

Exploration done by Other Parties	• Acknowledgment and appraisal of exploration by other parties	• No exploration by other parties has been conducted in the region
Geology	• Deposit type. geological setting and style of mineralisation	• The geological setting of the area subject to drilling (and reported in this announcement) is that of Proterozoic volcanic and intrusive rocks with potential to host high sulphidation and/or low sulphidation gold mineralisation, Au-Cu porphyry mineralization and/or IOCG deposits.
Drill Hole Information	• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes o Easting and northing of the drill hole collar o Elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar. o Dip and azimuth of the hole o Down hole length and interception depth o Hole length	• UTM coordinates for the centre of the sampled areas are: Tres Estados: Centre 224957E 9198539N Vertices: 224941E 9198661N 225035E 9198622N 224950E 9198415N 224855E 9198454N Ema: Centre 184189E 9174945N Vertices 184115E 9174957N 184154E 9174989N 184232E 9174895N 184193E 9174863N

	• If the exclusion of this information is justified on the basis that the information is not Material and that this exclusion does not detract from the understanding of the report. the Competent Person should clearly explain why this is the case.	• No exclusion of information has occurred.
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	• The results reported in this announcement refer to bulk samples collected from surface outcrops and boulders
Data aggregation methods	• 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 shown in detail.	• Not applicable – results reported refer to two bulk samples.
Data aggregation methods	• The assumptions used for any reporting of metal equivalent values should be clearly stated.	• Not applicable – no equivalents were used in this announcement.
Relationship between mineralization widths and intercepted lengths	• These relationships are particularly important in reporting of Exploration Results. • If the geometry of the mineralization 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').	• Drill results are not included in this announcement
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 limited to plan view of drill hole collar locations and appropriate sectional views.	• Maps showing the sample location are included in this announcement, and in previous announcements.

Balanced reporting	• 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.	• The Company believes the ASX announcement provides a balanced report of the results of laboratory and analytical tests conducted on the bulk sample
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.	• Airborne geophysical results and ground IP results were presented in previous announcements and are not referred to in this announcement.
Further Work	• The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large- scale step-out drilling)	• Comments on the ongoing work programme are presented.
	• Diagrams clearly highlighting the areas of possible extensions. including the main geological interpretations and future drilling areas. provided this information is not commercially sensitive.	• A map showing the extent of gold in soil anomalies was included in the previous announcement.

21 August 2017

Mr Simon Robertson
Company Secretary
BBX Minerals Limited

By email

Dear Mr Robertson

BBX Minerals Limited ("BBX"): query letter

ASX Limited ("ASX") refers to the following:

A. BBX's announcement entitled "Gold Extraction Results from Ema and Tres Estados" lodged on the ASX Market Announcements Platform and released at 8:20 am on 14 August 2017 (the "Announcement"), disclosing results of preliminary metallurgical testing from BBX's Ema Project which yielded, amongst other results, a combined gold result of 299.3 g/t and 1,971.6 g/t of silver from a 150kg bulk sample collected over an area of 100m x 40m at the Ema 1 garimpo using a pre-leach followed by smelting of a 5kg sample, and a gold value of 360 g/t yielded from three samples from the Tres Estados bulk sample from Adela garimpo (the "Analytical Results").

B. ASX Listing Rule 5.6 states:

> *"Subject to rule 5.10, a public report prepared by an [+]entity must be prepared in accordance with rules 5.7 to 5.24 if applicable and Appendix 5A (JORC Code) if applicable if the report includes a statement relating to any of the following.*
>
> - *[+]Exploration targets.*
> - *[+]Exploration results.*
> - *[+]Mineral resources or [+]ore reserves.*
> - *[+]Production targets."*

C. ASX confirms the JORC Code applies to the Analytical Results.

Having regard to the above, ASX asks BBX to respond separately to each of the following questions and requests for information:

1. The location co-ordinates of all the grab sample material that was collected for the 150kg bulk sample.

2. Full details of the grab sample methodology and confirmation of the basis for selecting the grab sample material.

3. Full details of the logging of the samples setting out the following:

    a. the rock type;

    b. the degree of weathering; and

c. the nature of mineralisation.

4. Confirmation of whether the grab sample material was loose material upon the ground or rock chips taken from in-situ outcropped material, or a combination of the two, or some other sample type.

5. Full details of the sub-sampling methodology clearly stating how the bulk sample was aggregated and the methods used to generate the 5kg sample for analysis.

6. The wording of the g/t assay results imply a total analysis of the 5kg bulk sample. Is this the case or is this an analysis of a sub-sample or leached product back calculated to the original bulk sample weight? A detailed clarification of the calculation methodology needs to be disclosed to adequately explain the "combined gold result".

7. The analytical methods used for determination of Au/Ag/Pt/Pd should be clearly outlined in section 1 of JORC table 1. For example was Ag determined by titration and was any additional silver added to samples in fire assay.

8. We note variations in process for Test 3 at the Nomos facility. Please clarify in full any different analytical methods.

9. Explanation of any QAQC completed and verification of sampling and assaying methods should be clearly outlined in Table 1 for results of this significance. If this work has not been completed it should be clarified as to why not and what further work is planned to verify the results.

10. Please confirm that BBX is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

11. Please confirm that BBX's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of BBX with delegated authority from the board to respond to ASX on disclosure matters

When and where to send your response

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than **3:00 pm (WST) on Wednesday, 23 August 2017**. If we do not have your response by then, ASX will have no choice but to consider suspending trading in BBX's securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, BBX's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at sandra.wutete@asx.com.au and tradinghaltsperth@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to BBX's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

It should be noted that BBX's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in BBX's securities under Listing Rule 17.1.

If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

[Sent electronically without signature]

Sandra Wutete
Senior Adviser, ASX Listings Compliance (Perth)