



Commercial Development Update June 2019

Bifox Ltd has achieved significant commercial development over the last 12 months including;

1. In May 2019 completed plant upgrade and essential maintenance to production facilities including new processing equipment, new conveyor belts, rewiring of all electrical components, new refining and crushing units.
2. Completed the detailed Passive Seismic Geophysical survey program utilising Tromino technology has been implemented by Murray Brooker of Hydrominex Geoscience to measure physical properties of the subsurface, along with the anomalies in the Bifox and part of the KI area.
3. Bifox Ltd has maintained discussions over the last 6 months with various local Chilean groups who are interested in develop phosphate fertilizer products using our phosphate rock as a main component. The objective is to replace imported product with local product.
4. Dr Martin Torres, Agronomist, who has a significant Argentina and South American phosphate markets experience, was appointed in March 2019 to act as a Consultant to research and develop new phosphate fertilizer products and also prepare a Marketing Plan.
5. In March 2019 ARGUS completed an independent provider of specialist market research and analysis, has been appointed to develop a Phosphate rock price strategy and forecast.
6. Bifox has prepared all required documentation to Lodge with Sernageomin (the Government department responsible for mining operations) of the Company's exploration programme and updated mine plan will now enable mining to commence.
7. The company has completed preparation of all required documentation to lodge with Sernageomin of the Company's prospecting plan for the JORC. The plan is modified from previous approaches and is now a mixture of trenching work on areas previously drilled to confirm results and a wider drill programme outside those areas.
8. Preliminary metallurgical studies have commenced with an objective to upgrade the Company's product to a minimum of 30% grade. Preliminary results of granulometric tests have now been received. Under mesh 140-270 the mineral is predominantly apatite (53% - apatite is a group of phosphorous bearing minerals) and quartz (11%).
9. Armaz completed test works have also commenced with specialised phosphate consultants for the total beneficiation process. The results and all samples have been sent to two consultants for further analysis (Arrmaz, a global leader in the production of specialty chemicals for the mining, fertilizer, phosphate, industrial ammonium nitrate, asphalt, and oil and gas industries for flotation tests – and Florida Industrial and Phosphate Research Institute - a legislatively created state research unit within Florida Polytechnic University, a world-class research entity specialising in phosphate-related issues and industrial applied science and engineering for upgrade of product overall).



Commercial Development Update June 2019

10. Approved activity required under the agreed CMN proposal has commenced including delineation of the base line palaeontology process, implementation of the approved Paleontological Management Plan, and provision of storage for relevant fossils identified on site prior to transfer to CMN.
11. The Company has also commenced the preparation of its DIA (Declaration of Environmental Impact Report) to increase production.
12. Bifox is planning initiatives to improve solubility and reactivity of our phosphate rock for the Chilean Argentine and other South American markets.