

BAUXITE RESOURCES LTD ANNOUNCES GRANT OF EXTRACTIVE INDUSTRIES LICENCE - BAUXITE MINING TO COMMENCE -

West Australian, Perth based bauxite explorer and developer, Bauxite Resources Ltd (ASX: BAU, "BRL") has now received approval for the Company's inaugural Extractive Industries Licence (EIL) at North Bindoon. Further the Company's Project Management Plan (PMP) has also been approved by the Western Australian State Government Department of Mines and Petroleum (DMP) allowing for the commencement of mining operations.

The grant of the Company's first EIL and PMP allows for the commencement of bauxite quarrying and processing operations, scheduled for commencement later this week, at the Company's initial site in the North Bindoon project area.

The approvals to commence mining have come in less than 21 months since the listing of Bauxite Resources Ltd on the ASX.

BRL has entered into 'trial spot sample' shipment sales arrangements with several groups as a 1st stage in its ramp up to developing its initial 1million tonnes per annum (mtpa) Direct Shipping Ore (DSO) bauxite business scheduled to commence by first quarter 2010. Ultimately BRL aims to be producing 3mtpa of bauxite as well as downstream value added products.

The Company's planned spot shipments will represent a new era for DSO from the Darling Range, Western Australia, which is the largest bauxite and alumina producing region in the world, home to four alumina refineries supplying approximately 18% of the world's alumina which is the feedstock for aluminium smelting.

Exporting DSO bauxite from Western Australia enjoys the benefits of proximity to Asian markets, reduced shipping turnaround as well as the availability of existing rail and port infrastructure at Kwinana and Bunbury.

The DSO of bauxite by BRL will put the Company at the forefront of the rapidly growing trade in bauxite supplies to Asian alumina refineries which rely upon bauxite feedstock. Bauxite imports into China have grown significantly in recent years with China forecast to run out of bauxite within 10 years.

BRL now controls the largest tenement land holding in the Darling Range, Western Australia, for bauxite with over 15,000km² of ground holdings throughout the south west of Western Australia exceeding the combined Darling Range landholdings of bauxite miners and alumina refinery operators ALCOA and BHP.

The North Bindoon operations will supply the bauxite ore for BRL's planned Stage One DSO program.

ENDS



Background

Bauxite Resources Limited (BRL) launched in May 2006 with a mission to become initially a significant bauxite miner and subsequently an alumina producer.

By October 2007, following seed capital raising, BRL successfully listed on the ASX, raising \$7.5 million. The Company raised a further \$4.7million in options issue in January 2009 and has recently received **\$9.85m** in placement monies from SDGM.

BRL is the largest tenement holder in the Darling Range with approximately **15,000 km²** of ground. This area in south west Western Australia is acknowledged as the **largest producing alumina region in the world** supplying approximately **18%** of the world's production and the location of Alcoa's Huntly Mine, **the world's largest bauxite mine**.

The Darling Range has four alumina refineries; three of these are in the top five for lowest operating costs globally, principally due to the gibbsitic nature of the Darling Range bauxite, and its **low reactive silica of around 3% and negligible boehmite content**.

Bauxite Resources is primarily focused on defining an initial sustainable economic bauxite resource sufficient to support a >3Mtpa DSO bauxite project. In the longer term the Company is reviewing opportunities for the development of an alumina refinery and possible smelter.

The recent signing of MOU's with state-sanctioned Chinese interests has further strengthened BRL's position as an emerging bauxite resource entity.

For more information: www.bauxiteresources.com.au

Media Enquiries to:

Mr Brad Farmer

Public Affairs and Environment Manager

Bauxite Resources Limited

Email: bfarmer@bauxiteresources.com.au

Telephone: (+61-8) 9221 5019 Mb: 0413 031 870

Mr Dan Tenardi

Managing Director

Bauxite Resources Limited

Email: dtenardi@bauxiteresources.com.au

Tel: (+61-8) 9221 5019 Mb: 0409 106 022

3/159 Adelaide Terrace, PO Box 6664, East Perth WA 6892

Phone: +61 8 9221 5019 Fax: +61 8 9221 4385

www.bauxiteresources.com.au

