

MOU SIGNED WITH JFE SHOJI TRADE CORPORATION FOR DSO BAUXITE SUPPLY TO ASIA

The Board of Perth-based bauxite explorer and developer, Bauxite Resources Ltd (ASX: **BAU**, "BRL") is pleased to announce it has signed a Memorandum of Understanding (MOU) with JFE Shoji Trade Corporation ("JFEST") for Bauxite Direct Shipping Ore (DSO) supplies to Asia. The MOU is non binding and the parties will later sign a Sale and Purchase Agreement. JFEST is a Japanese Trading House and will re-sell the bauxite to certain end users in Asia. The identity of the end users is commercially sensitive and will not be disclosed pursuant to the confidentiality clauses in the MOU.

The target quantity in the MOU is 500,000 tons of bauxite by the end of 2010 calendar year. The bauxite to be exported will be high total alumina content (48-49%) and low reactive silica content (1-2%) and BRL is pleased to be shipping high grade bauxite which it expects to be well received by the refinery end users. The high quality bauxite is expected to substantially reduce the end user refinery reagent costs and other operating costs. BRL expects that the these initial shipments will demonstrate the superior attributes of its bauxite and provide an excellent marketing opportunity and pave the way for long term off-take agreements for its DSO bauxite.

-ENDS-

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