



19 January 2011

Dear Shareholder

New Year Statement and Request for Shareholder Support from Chairman

On 26 November 2010, **Bauxite Resources Limited ("BRL" or "the Company") (ASX: BAU)** released an ASX announcement confirming overwhelming shareholder support for a strategy towards building an alumina refinery in the south-west of Western Australia.

In January 2011, BRL and Yankuang Corporation ("Yankuang") will sign contract agreements that detail the previous binding Heads of Agreement (HOA) approved by shareholders.

On 10 November 2010, BRL announced the appointment of a new Chief Executive Officer ("CEO"), Mr Scott Donaldson, who will be commencing on 31 January 2011. The Board believes that Mr Donaldson has the right experience and qualifications to lead the Company and ensure implementation of the long-term strategy. Therefore, the Board has proposed Mr Donaldson a remuneration package which includes 3 million share options over 3 years at 40 cents per share, which is approximately a 60% premium to the current share price. (*See attached - Key Terms of Executive Director / CEO Employment Agreement for Scott Donaldson*).

On 22 December 2010, BRL announced the appointment of a new Non-Executive Director, John Sibly, to the Board. Mr Sibly is very well qualified and has significant industry experience to provide guidance to the Company. John has extensive experience in the bauxite and alumina refinery sectors, including more than 15 years in senior positions with Alcoa. The Board has proposed Mr Sibly a remuneration package which includes 2 million share options at an exercise price of 40 cents per share, which is approximately a 60% premium to the current share price. (*See attached resume for John Sibly*).

On behalf of the BRL Board, I ask for shareholder support on the share options proposals for Mr Donaldson and Mr Sibly to ensure that we attract, secure and incentivise the best executives available to fulfil our long-term strategy. The Board views the pricing and volume of these share options to be modest and commensurate with the experience of the intended recipients.

The Company Secretary has been asked to provide notice and call an Extraordinary General Meeting ("EGM") on 22 February 2011 to consider shareholder votes to support these share options proposals. As Chairman, and on behalf of the Board of Directors, I strongly encourage your support of these proposals.

Yours faithfully

Barry Carbon
Chairman



Key Terms of Executive Director / CEO Employment Agreement (In accordance with ASX LR)

The key components of the agreement for Scott Donaldson, appointed Chief Executive Officer 31 January 2011 are as follows:

- Annual remuneration of \$450,000;
- In lieu of a company vehicle, an additional payment of \$20,000 per annum;
- Three year term with two year extension option;
- 3 million executive employee options package split into 3 equal tranches over 3 years with an exercise price of 40 cents per share.

Resume for Scott Donaldson:

Mr Donaldson joins BRL from Jabiru Metals Ltd, where for the past 3 years he has held the position of Chief Operations Officer responsible for Jabiru's operations and technical development. Prior to that, Scott was Resident Manager at the Jaguar Base Metals Project - responsible for the feasibility optimisation, development, construction, commissioning and production of the Jaguar Copper/Zinc sulphide mine in Western Australia.

Before joining Jabiru, Mr Donaldson was employed as Resident Manager with Consolidated Minerals and Tectonics, Project Superintendent for Western Metals and Mine Superintendent/Underground Manager of Bannockburn and Mt Morgan gold operations for Dominion Mining Ltd. He also spent 3 years as General Manager Underground Operations with Thiess Contractors responsible for the underground contracting business in Western Australia and South Australia. Mr Donaldson has a Mining Engineering Degree, Graduate Diploma in Business and holds a First Class Mine Manager's Certificate of Competency.

Resume for John Sibly:

Perth-based Mr Sibly is a highly experienced and well credentialed executive, with more than 35 years of operational and executive experience within the bauxite and alumina refinery sectors, including more than 15 years as a senior executive with Alcoa.

In 2006 Mr Sibly retired from his role of President Global Manufacturing Alcoa World Alumina and Chemicals, based in New York. In this position he was responsible for nine refineries and five operating mines around the world. He was also accountable for engineering, construction, and research and development of Alcoa's mining and refineries.

In his career with Alcoa Mr Sibly held various senior positions, including leading the process design team and being inaugural works manager at the Sao Luis Alumina refinery in Brazil, and works manager at the Kwinana and Pinjarra refineries in Western Australia.

In 2000 Mr Sibly received the Irving W Wilson award for 'outstanding leadership and management of technology throughout Alcoa'.

Mr Sibly has previously been a president of the Australian Minerals Industry Research Association, director of the centre for minesite rehabilitation research, and member of many other councils and advisory bodies. He is currently managing director of Brolga Consulting Pty Ltd, and non-executive director of Exergen Pty Ltd and LVNG Pty Ltd.

Mr Sibly has a Bachelor of Applied Science (University of Adelaide) and an Associate Diploma – Primary Metallurgy (SAIT). He is a Fellow of the Australian Institute of Mining and Metallurgy and a past Member of the American Institute of Mining and Metallurgical Engineers.

BAUXITE RESOURCES LIMITED

ACN 119 699 982

NOTICE OF GENERAL MEETING

TIME: 10:00 am (WST)

DATE: Tuesday 22 February 2011

PLACE: Conference Room, The Garden Office Park,
355 Scarborough Beach Road,
Osborne Park, Western Australia

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 8) 9200 6300.

CONTENTS PAGE

Notice of General Meeting (setting out the proposed resolutions)	3
Explanatory Statement (explaining the proposed resolutions)	4
Glossary	7
Schedule 1 – Terms and Conditions of Director Options – Mr Scott Donaldson	8
Schedule 2 – Terms and Conditions of Director Options – Mr John Sibly	10
Schedule 3 – Valuation of Director Options	12
Proxy Form	13

TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The general meeting of the Shareholders to which this Notice of Meeting relates will be held at 10:00 am (WST) on 22 February 2011 at:

Conference Room, The Garden Office Park, 355 Scarborough Beach Road, Osborne Park, Western Australia

YOUR VOTE IS IMPORTANT

The business of the General Meeting affects your shareholding and your vote is important.

VOTING IN PERSON

To vote in person, attend the General Meeting on the date and at the place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

NOTICE OF GENERAL MEETING

Notice is given that the general meeting of Shareholders will be held at 10:00 am (WST) on 22 February 2011 at Conference Room, The Garden Office Park, 355 Scarborough Beach Road, Osborne Park, Western Australia.

The Explanatory Statement provides additional information on matters to be considered at the General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the General Meeting are those who are registered Shareholders of the Company at 10:00 am (WST) on 20 February 2011.

Terms and abbreviations used in this Notice of Meeting are defined in the Glossary.

AGENDA

1. RESOLUTION 1 – ISSUE OF DIRECTOR OPTIONS – MR SCOTT DONALDSON

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for the purposes of Section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Directors to allot and issue 3,000,000 Director Options to Mr Scott Donaldson (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Mr Scott Donaldson (or his nominee) or any of his associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. RESOLUTION 2 – ISSUE OF DIRECTOR OPTIONS – MR JOHN SIBLY

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for the purposes of Section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Directors to allot and issue 2,000,000 Director Options to Mr John Sibly (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Mr John Sibly (or his nominee) or any of his associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

DATED: 6 JANUARY 2011
BY ORDER OF THE BOARD



MR BARRY CARBON
CHAIRMAN

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the General Meeting to be held at 10:00 am (WST) on 22 February 2011 Conference Room, The Garden Office Park, 355 Scarborough Beach Road, Osborne Park, Western Australia.

This purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

3. RESOLUTIONS 1 AND 2 – ISSUE OF DIRECTOR OPTIONS

3.1 General

The Company has agreed, subject to obtaining Shareholder approval, to allot and issue a total of 5,000,000 Options (**Director Options**) to Mr Scott Donaldson and Mr John Sibly (**Related Parties**) on the terms and conditions set out below.

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in Sections 210 to 216 of the Corporations Act.

In addition, ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

The grant of the Director Options to the Related Parties requires the Company to obtain Shareholder approval because the grant of Director Options constitutes giving a financial benefit and as Directors, Mr Scott Donaldson and Mr John Sibly are related parties of the Company.

It is the view of the Directors that the exceptions set out in Sections 210 to 216 of the Corporations Act and ASX Listing Rule 10.12 do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the grant of Director Options to the Related Parties.

3.2 Shareholder Approval (Chapter 2E of the Corporations Act and Listing Rule 10.11)

Pursuant to and in accordance with the requirements of Sections 217 to 227 of the Corporations Act and ASX Listing Rule 10.13, the following information is provided in relation to the proposed grant of Director Options:

- (a) the related parties are Mr Scott Donaldson and Mr John Sibly and they are related parties by virtue of being Directors;
- (b) the maximum number of Director Options (being the nature of the financial benefit being provided) to be granted to the Related Parties is:

- (i) 3,000,000 Director Options to Mr Scott Donaldson; and
- (ii) 2,000,000 Director Options to Mr John Sibly;
- (c) the Director Options will be granted to the Related Parties no later than 1 month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Director Options will be issued on one date;
- (d) the Director Options will be granted for nil cash consideration, accordingly no funds will be raised;
- (e) the terms and conditions of the Director Options in relation to Mr Scott Donaldson are set out in Schedule 1 and the terms and conditions of the Director Options in relation to Mr John Sibly are set out in Schedule 2;
- (f) the value of the Director Options and the pricing methodology is set out in Schedule 3;
- (g) the relevant interests of the Related Parties in securities of the Company are set out below;

Related Party	Shares	Options
Mr Scott Donaldson	Nil	Nil
Mr John Sibly	Nil	Nil

- (h) the remuneration and emoluments from the Company to the Related Parties for the previous financial year and the proposed remuneration and emoluments for the current financial year are set out below:

Related Party	Current Financial Year	Previous Financial Year
Mr Scott Donaldson	204,375	Nil
Mr John Sibly	30,000	Nil

- (i) if the Director Options granted to the Related Parties are exercised, a total of 5,000,000 Shares would be allotted and issued. This will increase the number of Shares on issue from 234,379,896 to 239,379,896 (assuming that no other Options are exercised and no other Shares are issued) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 2.09%, comprising 1.25% by Mr Scott Donaldson and 0.84% by Mr John Sibly.

The market price for Shares during the term of the Director Options would normally determine whether or not the Director Options are exercised. If, at any time any of the Director Options are exercised and the Shares are trading on ASX at a price that is higher than the exercise price of the Director Options, there may be a perceived cost to the Company.

- (j) the trading history of the Shares on ASX in the 12 months before the date of this Notice of General Meeting is set out below:

	Price	Date
Highest	\$1.035	8 January 2010 and 18 January 2010
Lowest	14 cents	6 July 2010 to 8 July 2010
Last	26.0 cents	5 January 2011

- (k) the primary purpose of the grant of Director Options to the Related Parties is to provide a market linked incentive package in their capacity as Directors and for the future performance by each of them in their respective roles. The Board (other than the Related Parties) considered the extensive experience and reputation of the Related Parties within the mining industry, the current market price of Shares and current market practices when determining the number and exercise price of the Director Options to be issued to the Related Parties. In addition, the Board considers the grant of the Director Options to the Related Parties to be reasonable, given the necessity to attract the highest calibre of professionals to the Company whilst maintaining the Company's cash reserves. The Board does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Director Options upon the terms proposed;
- (l) the Board acknowledges the grant of Director Options to Mr John Sibly is contrary to Recommendation 8.2 of the ASX Corporate Governance Principles and Recommendations. However, the Board considers the grant of Director Options to Mr John Sibly reasonable in the circumstances, given the necessity to attract the highest calibre of professionals to the Company, whilst maintaining the Company's cash reserves;
- (m) Mr Scott Donaldson declines to make a recommendation to Shareholders in relation to Resolution 1 due to his material personal interest in the outcome of the Resolution. The other Directors, who do not have a material interest in the outcome of Resolution 1, recommend that Shareholders vote in favour of Resolution 1. The Board (other than Mr Scott Donaldson) is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass the Resolution; and
- (n) Mr John Sibly declines to make a recommendation to Shareholders in relation to Resolution 2 due to his material personal interest in the outcome of the Resolution. The other Directors, who do not have a material interest in the outcome of Resolution 2, recommend that Shareholders vote in favour of Resolution 2. The Board (other than Mr John Sibly) is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass the Resolution.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Director Options to the Related Parties as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Director Options to the Related Parties will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

4. ENQUIRIES

Shareholders are requested to contact the Company Secretary on (+ 61 8) 9200 6300 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Company means Bauxite Resources Limited (ACN 119 699 982).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Director Option means an Option granted pursuant to Resolutions 1 and 2 with the terms and conditions set out in Schedule 1.

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice of Meeting.

General Meeting or **Meeting** means the meeting convened by the Notice.

Notice or **Notice of Meeting** or **Notice of General Meeting** means this notice of general meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Optionholder means a holder of a Director Option.

Proxy Form means the proxy form accompanying the Notice.

Resolutions means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – TERMS AND CONDITIONS OF DIRECTOR OPTIONS – MR SCOTT DONALDSON

The Director Options entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) Each Director Option gives the Optionholder the right to subscribe for one Share.
 - (b) The Director Options shall vest on the following terms:
 - (i) 1,000,000 Director Options vesting at the end of the first year of employment with the Company;
 - (ii) 1,000,000 Director Options vesting at the end of the second year of employment with the Company; and
 - (iii) 1,000,000 Director Options vesting at the end of the third year of employment with the Company.
 - (c) The Director Options will expire at 5.00pm (WST) on 31 January 2016 (**Expiry Date**). Any Director Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
 - (d) The amount payable upon exercise of each Director Option will be \$0.40 (**Exercise Price**).
 - (e) The Director Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
 - (f) An Optionholder may exercise their Director Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Director Options specifying the number of Director Options being exercised; and
 - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Director Options being exercised;
- (Exercise Notice).**
- (g) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
 - (h) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Director Options specified in the Exercise Notice.
 - (i) The Director Options are not transferable.
 - (j) All Shares allotted upon the exercise of Director Options will upon allotment rank pari passu in all respects with other Shares.
 - (k) The Company will not apply for quotation of the Director Options on ASX. However, The Company will apply for quotation of all Shares allotted pursuant to the exercise of Director Options on ASX within 10 Business Days after the date of allotment of those Shares.

- (l) If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (m) There are no participating rights or entitlements inherent in the Director Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Director Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 6 Business Days after the issue is announced. This will give Optionholders the opportunity to exercise their Director Options prior to the date for determining entitlements to participate in any such issue.
- (n) A Director Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Director Option can be exercised.

SCHEDULE 2 – TERMS AND CONDITIONS OF DIRECTOR OPTIONS – MR JOHN SIBLY

The Director Options entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) Each Director Option gives the Optionholder the right to subscribe for one Share.
- (b) The Director Options will expire at 5.00pm (WST), 5 years subsequent to issue date (**Expiry Date**). Any Director Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) The amount payable upon exercise of each Director Option will be \$0.40 (**Exercise Price**).
- (d) The Director Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
- (e) An Optionholder may exercise their Director Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Director Options specifying the number of Director Options being exercised; and
 - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Director Options being exercised;

(Exercise Notice).

- (f) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (g) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Director Options specified in the Exercise Notice.
- (h) The Director Options are not transferable.
- (i) All Shares allotted upon the exercise of Director Options will upon allotment rank pari passu in all respects with other Shares.
- (j) The Company will not apply for quotation of the Director Options on ASX. However, The Company will apply for quotation of all Shares allotted pursuant to the exercise of Director Options on ASX within 10 Business Days after the date of allotment of those Shares.
- (k) If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (l) There are no participating rights or entitlements inherent in the Director Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Director Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 6 Business Days after the issue is announced. This will give Optionholders the opportunity to exercise their Director Options prior to the date for determining entitlements to participate in any such issue.

- (m) A Director Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Director Option can be exercised.

SCHEDULE 3 – VALUATION OF DIRECTOR OPTIONS

The Director Options to be issued to the Related Parties pursuant to Resolutions 1 and 2 have been independently valued.

Using the theoretical Black & Scholes option model and based on the assumptions set out below, the Director Options were ascribed a value range, as follows:

Assumptions:	
Valuation date	22 December 2010
Market price of Shares	28.5 cents
Exercise price	40 cents
Expiry date	31 January 2016
Risk free interest rate	5.34%
Volatility	122.56%
Indicative value per Director Option	23.46 cents
Total Value of Director Options	\$1,173,050
- Mr Scott Donaldson	\$703,830
- Mr John Sibly	\$469,220

Note: The valuation ranges noted above are not necessarily the market prices that the Director Options could be traded at and they are not automatically the market prices for taxation purposes.

PROXY FORM

**APPOINTMENT OF PROXY
BAUXITE RESOURCES LIMITED
ACN 119 699 982**

GENERAL MEETING

I/We

of

being a member of Bauxite Resources Limited entitled to attend and vote at the General Meeting, hereby

Appoint

Name of proxy

OR the Chair of the General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, as the proxy sees fit, at the General Meeting to be held at 10:00 am (WST), on 22 February 2011 at Conference Room, The Garden Office Park, 355 Scarborough Beach Road, Osborne Park Western Australia, and at any adjournment thereof.

If no directions are given, the Chair will vote in favour of all the Resolutions.

Voting on Business of the General Meeting

	FOR	AGAINST	ABSTAIN
Resolution 1 – Issue of Director Options – Mr Scott Donaldson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Issue of Director Options – Mr John Sibly	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not to be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is _____%

Signature of Member(s): _____ **Date:** _____

Individual or Member 1

Sole Director/Company Secretary

Member 2

Director

Member 3

Director/Company Secretary

Contact Name: _____ **Contact Ph (daytime):** _____

BAUXITE RESOURCES LIMITED
ACN 119 699 982

Instructions for Completing 'Appointment of Proxy' Form

1. **(Appointing a Proxy):** A member entitled to attend and vote at the General Meeting is entitled to appoint not more than two proxies to attend and vote on a poll on their behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If a member appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a member of the Company.
2. **(Direction to Vote):** A member may direct a proxy how to vote by marking one of the boxes opposite each item of business. Where a box is not marked the proxy may vote as they choose. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing Instructions):**
 - **(Individual):** Where the holding is in one name, the member must sign.
 - **(Joint Holding):** Where the holding is in more than one name, all of the members should sign.
 - **(Power of Attorney):** If you have not already provided the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual members from attending the General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the General Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to Bauxite Resources Limited, PO Box 1800, Osborne Park, DC WA 6916; or
 - (b) facsimile to the Company on facsimile number +61 8 9200 6399; or
 - (c) email to the Company at pfromson@bauxiteresources.com.au,so that it is received not less than 48 hours prior to commencement of the Meeting.

Proxy forms received later than this time will be invalid.