BAUXITE RESOURCES LIMITED

ABN 72 119 699 982

ASX / MEDIA RELEASE **22 MAY 2012**

NEW CERES BAUXITE DEPOSIT

SIGNIFICANT BAUXITE EXPLORATION RESULTS

Key Points:

- **Preliminary assay data from Ceres Prospect suggests potential for a significant resource.**
- **Bauxite horizon encountered over a 3,500Ha area and up to 8m in thickness.**
- **Thin overburden cover of less than 2m throughout majority of the mineralisation area.**
- **Low reactive silica with favourable available alumina to reactive silica ratios.**
- **JORC bauxite resource estimate expected in June quarter of 2012.**
- **The majority of the tenement area in the region is untested for bauxite**

Perth-based bauxite explorer and developer, Bauxite Resources Ltd (ASX: BAU) ("BRL" or "the Company") is pleased to provide an update on bauxite resource definition activities in its southwest Western Australian tenement area.

An exploration drilling campaign was completed on private farmland near the regional town of Williams, Western Australia, in 2011 with the aim of defining additional bauxite resources. This work was carried out on exploration tenement E70/3179 (see Figures 1 & 2) which is included with the Company's joint venture with Shandong #1 Bureau of Geology & Minerals Exploration subsidiary HD Mining **("Shandong")**.

Final analytical data for the program was received during March and a preliminary review of the raw data by BRL geologists suggests that the mineralisation may add significantly to current geological resources. A resource estimation study has been commissioned by BRL personnel to be undertaken by an external consultancy. BRL expects to receive a JORC classified resource estimate in the June quarter 2012 once geological modelling is completed.

The exploration program comprised 3,017 vertical holes drilled for 7,923.5 metres across an area of approximately 3,500Ha on a nominal 80m x 80m drill pattern. A preliminary view of the data shows that significant bauxite grades and thicknesses are present, with approximately 14% of the holes containing available alumina grades of greater than or equal to 25% over greater than 2m thickness. The mineralisation starts from within 0.5m of surface and bauxite thicknesses of up to 8m were intersected (refer to Table 1 for significant intercepts).

The study area is focused on a small number of large private landholdings which are within a few kilometres of the Perth to Albany highway. Existing heavy rail and associated infrastructure exists approximately 30km to the east of the deposits.

Preliminary examination of the bomb analyses received to date indicates (for analyses greater than 25% available Al_2O_3);

- Available alumina in the range of 25 – 42.4% (arithmetic average 32.1%)
- Available alumina:reactive silica ratios in the range of 3:1 to 65:1 (arithmetic average 16:1)
- Reactive silica ranges from 0.4-8.5% (arithmetic average 2.8%)
- Above results from low temperature bomb analyses at 143^{o}C
- Total alumina within bauxite of up to 53%

The mineralised zones are shallow with limited overburden which increases potential for lower mining excavation costs.

The assay results quoted have been achieved without the aid of beneficiation processes aimed at removing contaminants such as clay and quartz through a simple wet-screening process, which would aid in upgrading the available alumina content and reduce the reactive silica content prior to processing. Beneficiation testing of material from the study area is planned to commence once resource analysis is completed.

For further information visit **www.bauxiteresources.com.au** or contact:

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Figure 1: Ceres Prospect drill holes location map

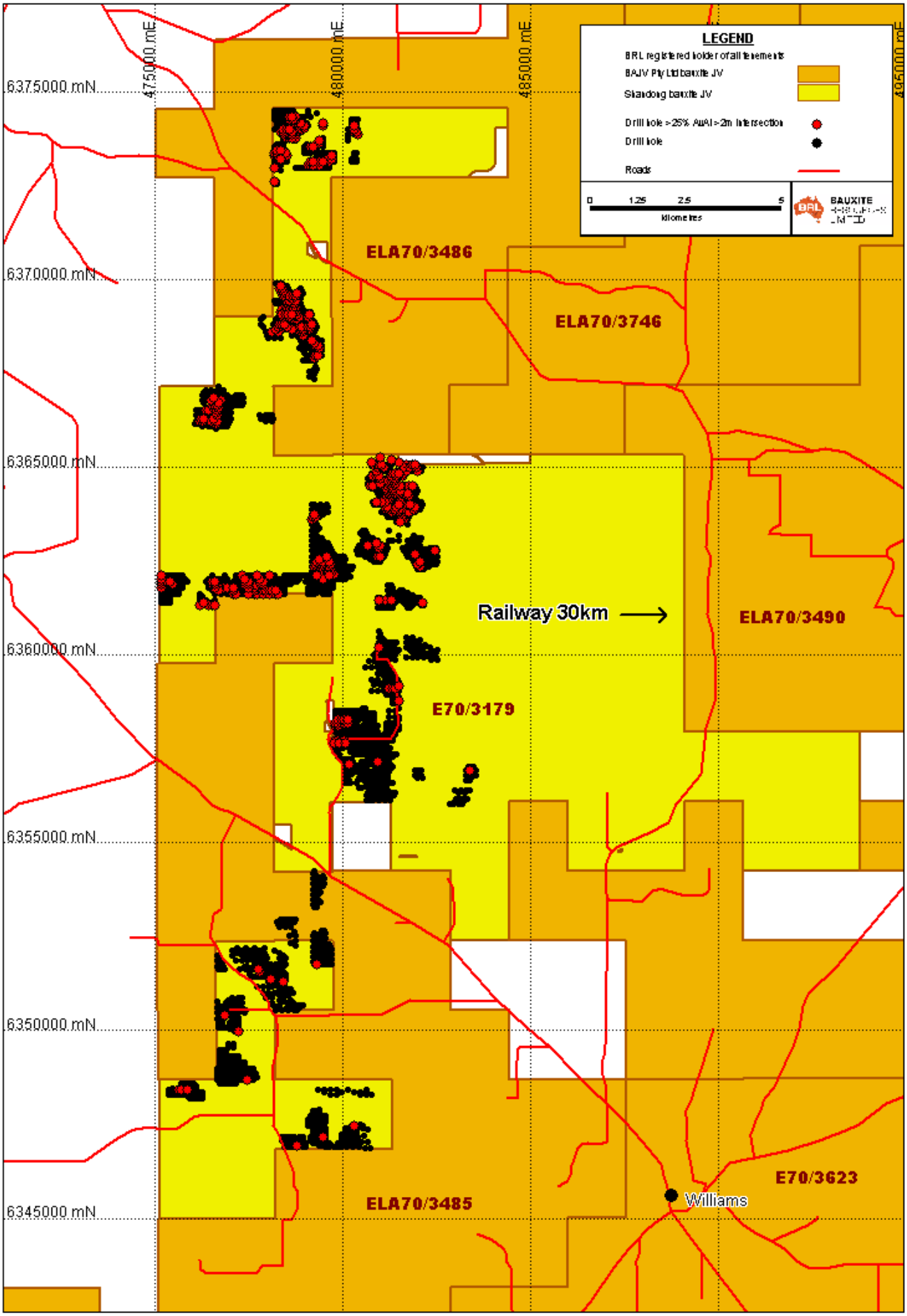

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Figure 2: Bauxite Resources Ltd tenement holdings showing Ceres Prospect location

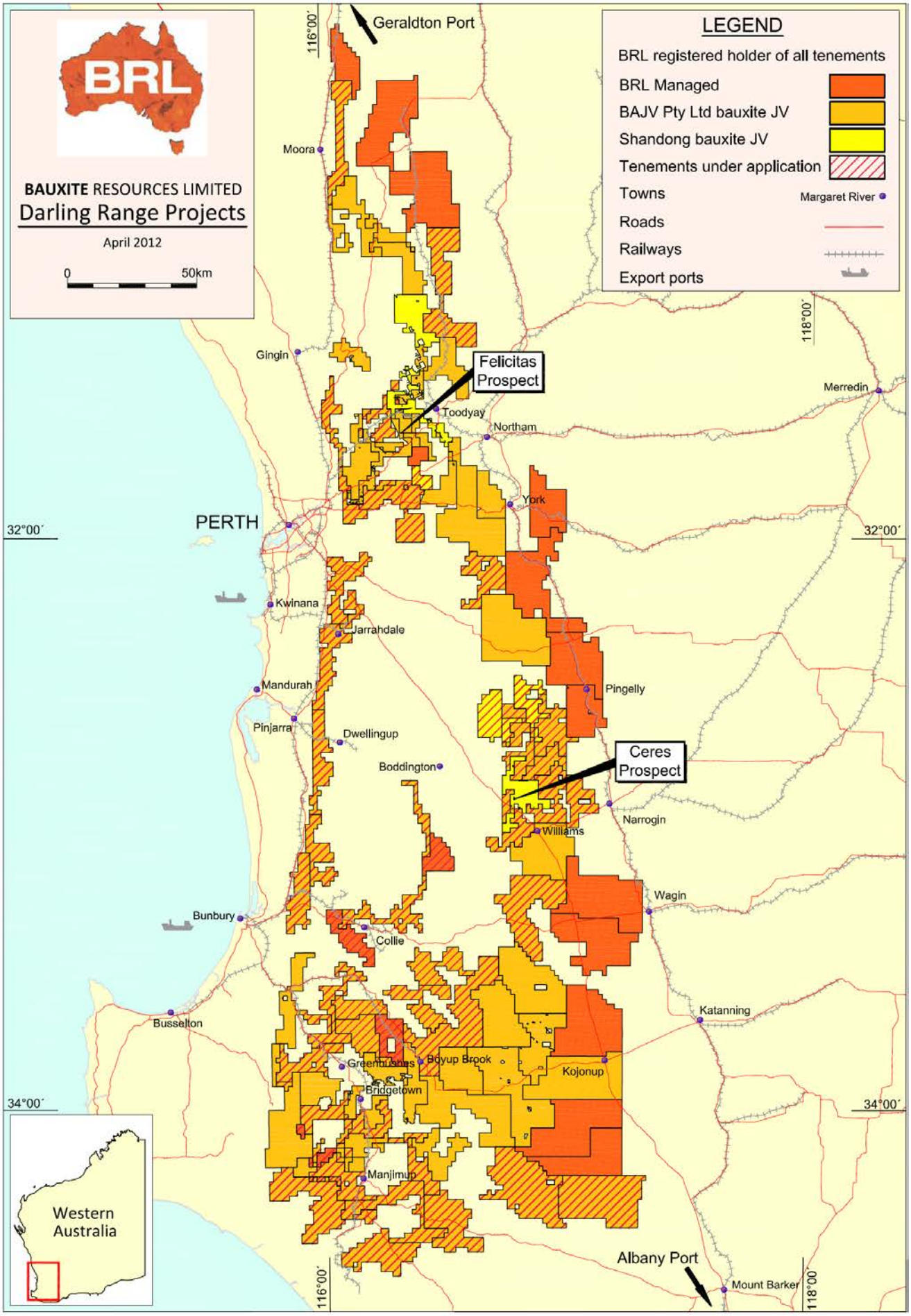

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Table 1: 50 significant intercepts

Hole ID	East (GDA)	North (GDA)	RL	Tenement ID	From (m)	To (m)	Interval Width (m)	Total Al_2O_3 (%)	Available Al_2O_3 (%)	Total SiO_2 (%)	Reactive SiO_2 (%)
CDV1303	481519	6363813	354	E70/3179	0.5	6	5.5	40	35.45	15.78	2.09
CDV1499	481359	6364368	347	E70/3179	0.5	7	6.5	48.81	38.48	15.28	1.95
CDV1500	481439	6364368	345	E70/3179	1	7.5	6.5	50.42	40.45	14.62	2.22
CDV1534	481799	6364437	330	E70/3179	0.5	5.5	5	42.93	28.84	20.49	4.39
CDV1561	481439	6364506	345	E70/3179	2	10	8	44.28	32.26	10.93	1.44
CDV1592	481319	6364575	348	E70/3179	0.5	5.5	5	47.15	37.25	13.43	1.3
CDV1681	481439	6364783	350	E70/3179	1.5	8.5	7	39.08	29.79	27.72	1.39
CDV1705	481319	6364853	354	E70/3179	1	6	5	41.55	34.38	9.55	1.68
CDV1706	481399	6364853	352	E70/3179	1	7	6	41.93	37.48	12.07	1.36
CDV1779	480959	6365060	350	E70/3179	1.5	8.5	7	40.49	31.66	10.67	0.61
CDV1780	481039	6365060	355	E70/3179	1	7	6	40.82	34.7	14.51	2.65
CDV1801	480759	6365130	341	E70/3179	0	5	5	41.8	35.36	15.21	2.86
CDV1838	480999	6365268	344	E70/3179	0.5	6	5.5	39.16	33.28	26.18	3.15
CDV1879	479679	6362289	342	E70/3179	1	7	6	47.92	39.35	15.03	2.53
HDV0001	478178	6373299	332	E70/3179	0	5	5	46.22	35.92	11.27	1.67
HDV0002	478260	6373299	334	E70/3179	0.5	9	8.5	47.56	32.64	10.95	1.89
HDV0003	478338	6373298	327	E70/3179	1.5	6.5	5	46.05	30.32	14.83	1.2
HDV0011	478340	6373380	339	E70/3179	3.5	9	5.5	41.95	26.67	8.06	0.6
HDV0049	479297	6373621	331	E70/3179	0	8.5	8.5	43.83	34.29	11.78	2.22
HDV0050	479374	6373626	327	E70/3179	0	5	5	43.4	33.76	9.77	1.57
HDV0071	478658	6373862	346	E70/3179	3	8	5	38.97	26.62	12.31	1.35
HDV0072	478741	6373860	348	E70/3179	1.5	8.5	7	40.34	29.22	19.93	1.9
HDV0080	479619	6373220	304	E70/3179	0.5	8	7.5	49.34	33.83	8.27	1.55
HDV0084	479699	6373301	298	E70/3179	0.5	6	5.5	42.69	31.09	15.97	2.4
HDV0113	480382	6373862	303	E70/3179	0	5	5	44.34	36.06	19.21	3.69
HDV0117	480380	6373940	298	E70/3179	0.5	5.5	5	41.68	30.04	25.89	4.08
HDV0134	478421	6373940	332	E70/3179	1	7	6	46.42	35.28	9.64	2.55
HDV0138	478742	6373937	341	E70/3179	1.5	6.5	5	45.85	33.02	18.33	2.76
HDV0164	478900	6374101	348	E70/3179	3	11	8	45	31.44	10.71	1.24
HDV0165	478976	6374099	352	E70/3179	0	8	8	45.51	35.73	12.14	1.71
HDV0188	478742	6374260	334	E70/3179	2	7.5	5.5	42.52	33.16	6	1.36
HDV0256	479063	6373060	302	E70/3179	0	6	6	44.85	31.78	10.51	1.83
HDV0258	479220	6373059	307	E70/3179	1	7	6	38.76	27.22	13.66	3.09
MAV0005	476521	6361319	315	E70/3179	1.5	8	6.5	38.44	30.29	19.81	1.2
MAV0097	476682	6361721	339	E70/3179	0	6.5	6.5	40.69	34.78	10.15	1.28
MAV0098	476760	6361720	339	E70/3179	0.5	7	6.5	49.64	40.65	10.18	2.08
MAV0144	476599	6361800	332	E70/3179	1.5	9.5	8	43.33	30.79	5.7	1.21
MAV0208	477880	6361881	338	E70/3179	1.5	7	5.5	39.19	29.3	16.26	0.9
MAV0628	481324	6359118	346	E70/3179	1.5	8	6.5	43.86	31.11	7.09	0.75
MAV0640	481479	6359195	351	E70/3179	1.5	8	6.5	39.71	29.98	7.83	0.87
RTV110	479348	6368251	311	E70/3179	0	8	8	45.92	34.66	14.85	1.54
RTV118	479228	6368320	317	E70/3179	0.5	6.5	6	40.65	28.78	10.52	0.92
RTV193	478228	6368666	311	E70/3179	0.5	7	6.5	44.07	32.43	13.15	1.45
RTV212	478268	6368736	316	E70/3179	0	6.5	6.5	43.61	31.66	19.76	1.28
RTV232	478308	6368805	323	E70/3179	0.5	7.5	7	39.39	32.96	20.43	1.33
RTV302	478468	6369082	311	E70/3179	4	10	6	38.51	29.74	3.16	0.99
RTV344	478588	6369290	295	E70/3179	2.5	11	8	46.16	30.49	14.61	2.24
RTV355	478708	6369359	293	E70/3179	1	7	6	45.64	33.96	7.69	1.16
RTV384	478588	6369567	286	E70/3179	1.5	7	5.5	44.35	34.35	13.44	2.75
RTV401	478348	6369705	284	E70/3179	0.5	8	7.5	44.62	34.1	18.43	1.64

**Vacuum drill samples were collected at 0.5m intervals and either bulk sampled or riffle split in the field to ~1kg. The samples were delivered to Nagrom laboratory where each sample was crushed and pulverized prior to initial screening analysis by fourier transform infrared (FTIR) and/or XRF analysis for total Al_2O_3 content and total SiO_2(0.1% detection limit). Samples greater than 23% total Al_2O_3 content were then subject to low temperature bomb analysis at 143° Celsius which provided available Al_2O_3, and reactive SiO_2 (0.1 % detection limit).*

QUALIFYING STATEMENT

The information in this announcement that relate to Exploration Information are based on information compiled by Dr Neil Martin, a member of the Australian Institute of Geoscientists. Dr Martin is a qualified geologist with sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Martin has consented to the inclusion in this announcement of the Exploration Information in the form and context in which it appears.

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