



BAUXITE RESOURCES TO ISSUE LOYALTY OPTIONS

- Confirms 1-for-2 entitlement issue of options expiring January 2009 (exercise price 20c).
- Shareholders registered as at 1 February will be eligible to participate
- Options anticipated to commence trading on ASX on 18 March 2008

Emerging Australian bauxite explorer, Bauxite Resources Limited (ASX: **BAU**), is pleased to advise that it will undertake a pro-rata, non-renounceable entitlement issue of options to shareholders as foreshadowed in its Prospectus.

The Company will lodge a Prospectus with the Australian Securities and Investments Commission (ASIC) for the issue of up to **53,818,750** options on a one-for-two basis (one option for every two ordinary shares held) at an issue price of 1 cent per option. The options will have an exercise price of 20 cents prior to the option expiry date of 31 January 2009.

All Shareholders registered as at **5:00 pm WST on 1 February 2008** are entitled to participate in the rights issue of options. The Prospectus and a personalised acceptance form will be dispatched to eligible shareholders (registered as holding shares in the Company as at the record date of 1 February 2008) on or about 7 February 2008.

Eligible shareholders who wish to subscribe for Options will need to complete and return the personalised Application Form that will accompany the Prospectus.

The closing date for acceptances is anticipated to be 5:00 pm WST on 17 March 2008 (unless the Offer is extended) and the Company will apply to the ASX for official quotation of the options.

Timetable and Important Dates*

EVENT	DATE
Ex date	25 Jan 2008
Record date for determining entitlements to Options	1 Feb 2008
Anticipated opening date	7 Feb 2008
Anticipated closing date	17 Mar 2008
Expected date for securities to be quoted on a deferred settlement basis	18 Mar 2008



Expected end date for deferred settlement trading / despatch date	27 Mar 2008
Option expiry date	31 Jan 2009

*Key dates subject to final confirmation

For Further information please contact:

Graeme Smith
Company Secretary
08 9481 7288

Luke Atkins
Executive Chairman
08 9221 5019

David McSweeney
Non Executive Director
0439 399 318

Bauxite Resources – Background

Bauxite Resources was founded in May 2006 for the purpose of securing tenements over land deemed prospective for bauxite mineralisation. It listed on the ASX on 22 October 2007 after closing its A\$7.5 million IPO early and oversubscribed.

The Company is looking to establish itself in the Bauxite and alumina industries in Western Australia – home to four of the five Australian alumina refineries - and is the only ASX-listed junior explorer in the highly prospective Darling Range, which produces approximately 17% of the world's alumina and is home to Alcoa's Huntly Mine, the largest producing bauxite mine in the world.

The Company has applied for 30 tenements in the three project areas of Muchea, South Darling Range and Kimberley and is primarily focused on defining a sustainable, economic bauxite resource through an intensive exploration program to be undertaken in 2008/9. It will then look to develop a bauxite export industry by direct shipping and to further assess potential resources with a view to the development of an alumina refinery.

For further information please go to www.bauxiteresources.com.au.

