

1. SALES CONTRACT SIGNED WITH HONGFAN INTERNATIONAL LTD FOR SPOT SHIPMENTS

2. RAILING OF BAUXITE TO PORT COMMENCES

Sales Contract

The Board of Perth-based bauxite explorer and developer, Bauxite Resources Ltd (ASX: **BAU**, "BRL") is pleased to announce that it has signed an FOB Sales Contract with Hongfan International Limited ("Hongfan") for three 40,000 tonne spot trial sample shipments of its premium run of mine (ROM) Darling Range low reactive silica bauxite.

Hongfan is part of a Chinese diversified group corporation integrating industrial investment, bulk commodity operations, mineral resource development, international investment and finance. As a producer of aluminium and a leading importer of bauxite, alumina and other minerals, Hongfan has interests in the manufacture of non-ferrous metals and is seeking to expand its interests in bauxite and alumina. Hongfan wishes to establish a long term working relationship with BRL. Specifically it wishes to source a long term supply of bauxite from BRL and establish strategic cooperation with a view to forming a long term relationship.

The Sales Contract is for three shipments of 40,000 dry metric tonnes of bauxite. It is expected that the shipments will occur in November 2009 and December 2009.

These spot shipments will enable BRL to showcase to Chinese alumina refineries the superior attributes of its premium Darling Range low reactive silica bauxite. The indicative technical specifications are attached as Appendix A to this report.

BRL believes that, the processing of its high grade bauxite with low reactive silica will be favourably received by the end user refineries and that this contract and trial shipments will be the precursor for larger off take agreements with Hongfan, mineral traders and refineries based in China.

Railing of Ore to Port Commences

Contemporaneously with the signing of the Sales Contract, BRL today commenced operations to rail bauxite from its Darling Range North mine site to the Kwinana Port in preparation for shipping to meet the abovementioned sales contract.

For more information please contact:

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APPENDIX A
TECHNICAL SPECIFICATIONS CONTAINED IN HONGFAN SALES CONTRACT (Note 1)

Chemical Composition (on a dry basis)	"Layman's terms"	Contract specifications	Indicative
Total Al ₂ O ₃	Total alumina	48.00% minimum	50.00%
Total SiO ₂	Total silica	7.00% max	6.50%
ReSiO ₂ (145 degrees Celsius)	Reactive silica	3.00% max	2.50%
Fe ₂ O ₃	Iron Oxide	19.00% max	16.00%
CaO	Calcium Oxide	0.05% max	0.02%
P ₂ O ₅	Phosphorous Pentoxide	0.09% max	0.05%
Physical Composition (on a natural basis)			
Size		90% passing 25mm, 75mm max	
Moisture (free moisture loss at 105 degree Celsius, Free Moisture Content)		8% max	

Note 1 –BRL advises that the above contractual technical specifications have been met from ROM bauxite prior to any beneficiation. BRL is conducting extensive studies to further improve the quality of its bauxite for DSO operations to reduce waste and operating costs for the end user refineries.