

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Bauxite Resources Limited

ABN

72 119 699 982

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | 1. Fully Paid Ordinary shares
2. Unlisted Options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 1. 2,015,000 fully paid shares issued pursuant to conversion of listed options.
2. Unlisted options
a) 666,666 options exercisable at 55 cents expiring 30 November 2013
b) 666,666 options exercisable at 45 cents expiring 30 November 2013
c) 666,668 options exercisable at 35 cents expiring 30 November 2013 |

+ See chapter 19 for defined terms.

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- 3 Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)

- | |
|--|
| <p>1. Fully paid, Ordinary shares
2. Unlisted options
a) 666,666 options exercisable at 55 cents expiring 30 November 2013
b) 666,666 options exercisable at 45 cents expiring 30 November 2013
c) 666,668 options exercisable at 35 cents expiring 30 November 2013</p> |
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<p>4 Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>1 Shares – Yes 2. The Unlisted Options are a new class.</p>						
<p>5 Issue price or consideration</p>	<p>1. The shares were issued pursuant to the exercise of listed options BAUO at 20 cents each. 2. The unlisted options were issued to the Managing Director pursuant to shareholder approval at the AGM.</p>						
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>1 Exercise of Options (BAUO). 2. Incentive options to Managing Director.</p>						
<p>7 Dates of entering ⁺securities into uncertificated holdings or despatch of certificates</p>	<p>1. shares 6 January 2009 2. unlisted options 19 December 2008</p>						
<p>8 Number and ⁺class of all ⁺securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; padding: 5px;">Number</th> <th style="text-align: left; padding: 5px;">⁺Class</th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">54,362,070</td> <td style="padding: 5px;">Ordinary Shares - BAU</td> </tr> <tr> <td style="padding: 5px;">51,409,180</td> <td style="padding: 5px;">20 cent Options Expiring 31 January 2009 - BAUO</td> </tr> </tbody> </table>	Number	⁺ Class	54,362,070	Ordinary Shares - BAU	51,409,180	20 cent Options Expiring 31 January 2009 - BAUO
Number	⁺ Class						
54,362,070	Ordinary Shares - BAU						
51,409,180	20 cent Options Expiring 31 January 2009 - BAUO						

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	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	55,685,000	Ordinary Shares Restricted – BAUAK
	9,000,000	20 cent Options Expiring 31 May 2012 – BAUAM
	2,000,000	25 cent Options Expiring 15 May 2012 – BAUAO
	4,000,000	40 cent Options Expiring 15 May 2012– BAUAQ
	100,000	50 cent Options Expiring 31 May 2012
	666,666	55 cent options expiring 30 November 2013
	666,666	45 cent options expiring 30 November 2013
	666,668	35 cent options expiring 30 November 2013

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

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Part 2 - Bonus issue or pro rata issue

Q 11 – 33 Not applicable

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

+ See chapter 19 for defined terms.

- (b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 A copy of any trust deed for the additional +securities


Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

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4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: 
(Company Secretary)

Date: 7 January 2009

Print name: Paul Fromson

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