

BAUXITE RESOURCES LIMITED ACN 119 699 982

To: Peter Tranter **Date:** 2 February 2009
Company: ASX **Fax No:** 9221 2020
From: Paul Fromson **No of pages:** 1
Subject: Price and Volume Query

Dear Peter,

PRICE AND VOLUME QUERY – BAUXITE RESOURCES LIMITED

I refer to the price and volume query from the Australian Stock Exchange Ltd "ASX" of 2 February 2009 to Bauxite Resources Limited "the Company". Accordingly I would like to provide the following responses:

1. The Company is not aware of any information that has not been released to the market which could be an explanation of the recent trading in the securities of the Company.
2. An announcement is not required.
3. The Company's most recent announcement was on Friday afternoon when it issued the December Quarterly Activities and Cash Flow Reports. The Activities Report was a comprehensive and lengthy report which contained a detailed description of the Company's activities and summarised a number of recent important announcements the Company had issued to the ASX.

The Company also notes that the listed options exercisable at 20c each expired on Saturday 31 January 2009; the Company indicated in its Quarterly Report that a significant number of options had been exercised and this will strengthen the Company's cash position.

4. The Company confirms that it is in compliance with the listing rules and in particular listing rule 3.1 which deals with continuous disclosure.

Yours sincerely,



Paul Fromson
Company Secretary

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2 February 2009

Mr Paul Fromson
Company Secretary
Bauxite Resources Limited
3/159 Adelaide Terrace
EAST PERTH WA 6892

By Facsimile 08 9221 4385

Dear Paul

Bauxite Resources Limited (the "Company")

RE: PRICE AND VOLUME QUERY

We have noted a change in the price of the Company's securities from a low of 21 cents on 2 February 2009 to a high of 30 cents today. We have also noted an increase in the volume of trading in the securities over this period.

In light of the price and volume change, please respond to each of the following questions:

1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?
2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any other explanation that the Company may have for the price and volume change in the securities of the Company?
4. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Your response should be sent to me by email at peter.tranter@asx.com.au or by facsimile on facsimile number (08) 9221 2020. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, **not later than 12:00 noon (W.D.S.T) today.**

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a suitable form and separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in listing rule 3.1A.

In responding to this letter you should consult listing rule 3.1 and Guidance Note 8 – Continuous Disclosure listing rule 3.1.

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

Trading halt

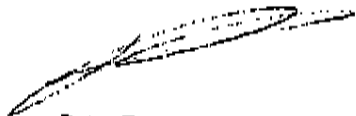
If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the Company's securities. As set out in listing rule 17.1 and Guidance Note 16 – Trading Halts we may grant a trading halt at your request. We may require the request to be in writing. We are not required to act on your request. You must tell us each of the following:

- The reasons for the trading halt
- How long you want the trading halt to last.
- The event you expect to happen that will end the trading halt.
- That you are not aware of any reason why the trading halt should not be granted.
- Any other information necessary to inform the market about the trading halt, or that we ask for.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries, please contact me.

Yours sincerely,



Peter Tranter
Senior Adviser, Issuers (Perth)