

# BAUXITE RESOURCES LIMITED



## CONDITIONAL SETTLEMENT OF LEGAL ACTION AGAINST BRL

Bauxite Resources Limited (**Company**) has made several announcements about a proposed shareholder class action against the Company.

The Company has today executed a conditional agreement to settle that claim, prior to any proceedings having been commenced.

The claim was proposed on behalf of individuals and entities (described in the claim as group members) who acquired shares in the Company in the October 2009 placement of 60 million shares at \$0.95 each. It included allegations that the Company engaged in misleading and deceptive conduct in marketing the 2009 placement. A separate claim was foreshadowed in respect of certain of the group members' on-market purchases.

Subject to certain conditions being met by the group members including a vote by them to accept the settlement, the Company will pay \$5.25 million, without any admission of liability. The remaining terms of the settlement are confidential.

If the settlement proceeds, both of the claims will be resolved.

"The settlement of this proposed shareholder action allows Bauxite Resources to focus on delivering our strategy. The Company has consistently denied any wrongdoing, but defending a complex claim funded by a commercial litigation funder would inevitably have proved a significant distraction to the board and management. Legal fees alone could have been expected to have been several million dollars" said Peter Canterbury, the Company's CEO and Executive Director.

The settlement does not have any impact on the proposed share capital return of A\$0.04 per share which was approved by shareholders on 29 August 2014 and will be paid to shareholders on 11 September 2014. Following the settlement and the share capital return, the Company will still have sufficient funds to meet both the short and medium term cash requirements under both its joint ventures and to its 100% controlled Fortuna project.

The Company will keep the market updated on the satisfaction of the preconditions to the settlement taking effect.

[For further company details, please visit www.bauxiteresources.com.au](http://www.bauxiteresources.com.au) Released by:

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**ASX Code: BAU**

**BAUXITE RESOURCES LTD**

**ABN: 72 119 699 982**

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Non Executive Chairman  
**Peter Canterbury**  
CEO & Executive Director  
**Luke Atkins**  
Non Executive Director  
**Cunliang Lai**  
Non Executive Director  
**Neil Lithgow**  
Non Executive Director  
**John Sibly**  
Non Executive Director  
**Zhaozhong Wang**  
Non Executive Director

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