

MINING TO COMMENCE AT BRL'S SOUTH DARLING RANGE BAUXITE PROJECT

HIGHLIGHTS

- Trial bauxite mining scheduled to commence in February 2009 at South Darling Range Project initially targeting between 150,000 and 200,000 tonnes of DSO (Direct Shipping Ore) quality bauxite.
- Follows on from initial JORC compliant Inferred Resource comprising 18.2 million tonnes at 43.1% Total Al_2O_3 , 31.6% Available Al_2O_3 and 3.2% Reactive SiO_2 .
- Underpinned by recent, extremely positive drilling results as well as successful negotiations with landowners and contract miners.
- Ore to be mined under existing Extractive Industries Licence on private, sub-economic freehold degraded farmland.
- Ore to be transported through existing infrastructure to a stockpile storage area close to the Bunbury port for direct loading onto Handimax-class ships.

Perth-based bauxite explorer Bauxite Resources Ltd (ASX: **BAU**, "BRL") is pleased to announce that it will commence bauxite mining at its **South Darling Range Project**, located directly east of Bunbury, in mid to late February 2009, as the Company's Direct Shipping Ore (DSO) development strategy out of the Bunbury Port begins to ramp up.

The decision to mine follows receipt earlier this month of an initial JORC compliant Inferred Resource comprising **18.2 million tonnes at 43.1% Total Al_2O_3 , 31.6% Available Al_2O_3 and 3.2% Reactive SiO_2** relating to the company's North Darling Range Project. Recent, extremely positive drilling results as well as successful negotiations with landowners and contract miners have also underpinned the decision to commence mining.

BRL will initially undertake a trial mining operation targeting 150,000 to 200,000 tonnes of bauxite (approximately four shiploads) which will be transported to a stockpile storage area close to the Bunbury port for direct loading to the ship loading conveyor and subsequent loading onto Handimax-class ships.

The bauxite will be extracted from areas of private, sub-economic freehold degraded farmland where earlier drill results have indicated bauxite mineralisation at surface, with better results of 4m at 41.6% Total Al_2O_3 , 35.2% Available Al_2O_3 and 2.8% Reactive SiO_2 . The target size for the DSO shipping has a grade range of 40% – 43% Total Al_2O_3 , 30%-34% Available Al_2O_3 and 2.5%-3% Reactive SiO_2 from the drilling completed to date. The potential quality of the grade is conceptual in nature, there has been insufficient exploration in the target area to define a Mineral Resource and further exploration is required to determine a Mineral Resource. BRL is currently infill drilling in the target area for resource definition and in due course it is anticipated that a mineral resource estimation will be completed when the infill drilling results are received.

The South Darling Range Project lies approximately 25km east of the Bunbury Port and forms part of BRL's extensive 11,000 square kilometre tenement holdings in the Darling Range's, Perth.



Commenting on the decision, BRL's Managing Director, Mr Daniel Tenardi, said: "The decision to begin trial mining is a very important milestone for the Company and will provide us with the early cash flow required to fast track our full-scale development plans for a sustainable +3Mtpa DSO bauxite operation."

"I think a lot of people would be very surprised at how far we've come in such a short space of time and for a junior company such as ourselves to be on the verge of production is a direct consequence of the hard work and commitment of everyone involved with BRL."

-ENDS-

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BACKGROUND

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

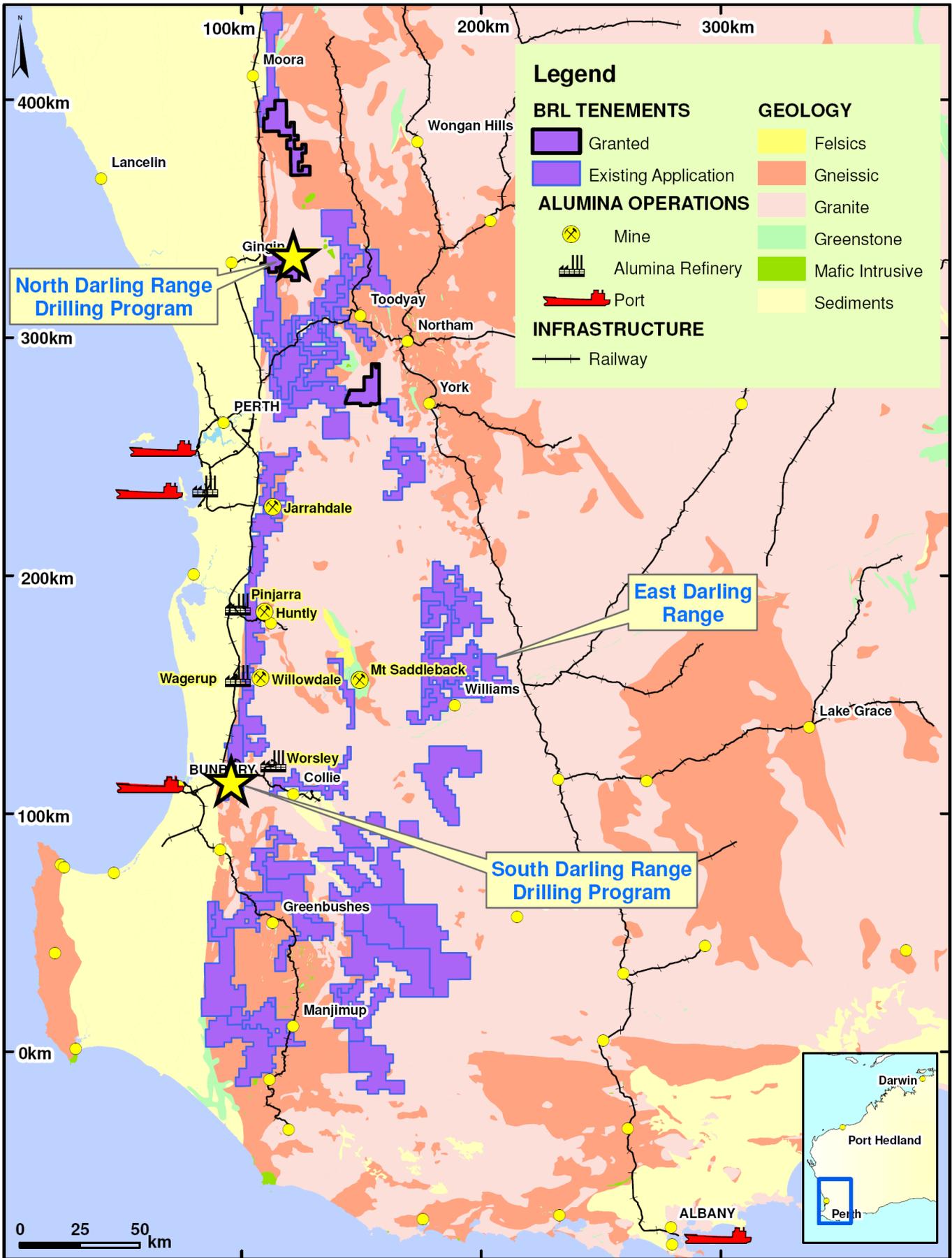
The Company is establishing itself in the bauxite and alumina industries in Western Australia and is the only ASX-listed junior bauxite explorer in the highly prospective Darling Range. This area in Western Australia is acknowledged as the largest producing alumina region in the world supplying approximately 18% of the world's alumina and the location of Alcoa's Huntly Mine, the largest producing bauxite mine in the world. The Darling Range is also the site of four alumina refineries; three of these are in the top five for lowest operating costs globally which is principally due to the gibbsite composition of the Darling Range bauxite, and its low reactive silica.

To date, the WA-owned Company has applied for 60 tenements in the four project areas of North Darling Range, South Darling Range, East Darling Range and Kimberley. The Darling Range tenements cover over 11,000km² and the Kimberley tenements cover approximately 1,100km².

Bauxite Resources recently defined a maiden JORC compliant Inferred Resource comprising **18.2 million tonnes at 43.1% Total Al₂O₃, 31.6% Available Al₂O₃ and 3.2% Reactive SiO₂** and is targeting development of a >3Mtpa DSO bauxite project. In the longer term the Company is reviewing opportunities for the development of an alumina refinery and possible smelter.

The recent signing of MOU's with state-sanctioned Chinese interests has further strengthened BRL's firm position as an emerging and significant resource entity.

In accordance with the Australian Stock Exchange requirements, the technical information contained in this report has been reviewed by Mr. Neil Lithgow, a director of the company. The information in the report to which this statement is attached that relates to Exploration Results and Mineral Resources is based on information reviewed by Mr. Lithgow, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr. Lithgow has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves." Mr. Lithgow consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.



BAUXITE RESOURCES LTD
DARLING RANGE PROJECT

CURRENT DRILLING PROGRAMS

JANUARY 2009

