



BRL AND YANKUANG EXPLORATION AND REFINERY JOINT VENTURE: CONDITIONS PRECEDENT FOR AGREEMENTS HAVE BEEN SATISFIED

Bauxite Resources Ltd (ASX:BAU) ("BRL" or "the Company") has signed an agreement with Yankuang Corporation ("Yankuang") to confirm that all the conditions precedent in the Bauxite Resource Joint Venture and Alumina Refinery Joint Venture have been satisfied. The two joint ventures will have an official Commencement Date of 1 April 2011. The Conditions Precedent had included relevant Chinese and Australian regulatory approvals.

Mr Scott Donaldson, the Chief Executive Officer ("CEO") of Bauxite Resources Ltd has been confirmed the CEO of the Management Company that operates the two joint ventures.

The Commencement of the two joint ventures will enable the following:

1. Funding for all activities from 1 April 2011 will be in accordance with the Joint Venture Agreements with expenditure split 90/10 on Bankable Feasibility Studies and 70/30 on Exploration activities (Yankuang/BRL respectively).
2. Continuation of the scoping and site selection studies. The scoping studies have been ratified by the Joint Venture Board and form an integral part of the Bankable Feasibility Studies.
3. BRL will be refunded a "Reimbursement Amount" being 70% of past expenditure. This amount is approximately AUD\$6.8 million.
4. BRL will also be entitled to payment of an Interim Amount for part of the expenditures since the Heads of Agreement and detailed agreements were signed.
5. Continuation of an exploration program, subject to normal statutory approval processes, to define the resources to underpin the proposed alumina refinery.

Further regulatory approvals will be required closer to the times of construction and production.

ENDS

For further information visit www.bauxiteresources.com.au or contact:

INVESTORS

Bauxite Resources Limited

Paul Fromson
Chief Financial Officer / Company Secretary
Tel: +61 8 9200 6300
Mob: 0419 942112
E: pfromson@bauxiteresources.com.au

MEDIA

Professional Public Relations

James Harris
Tel: +61 8 9388 0944

BAUXITE RESOURCES LTD

Company Overview

BRL was floated in October 2007 with a strategy to capitalise on the bauxite resource found in the Darling Range, Western Australia. BRL's acquisition of 24,600 km² tenements in the Darling Range is part of its strategy to participate in the bauxite and alumina industries in Western Australia where four of the seven Australian alumina refineries are located. The bauxite found throughout the Darling Range is a gibbsite ore, an aluminium hydroxide requiring lower temperatures and lower pressures for alumina refining; these lower energy requirements represent considerable lower energy costs. These distinctive properties make Darling Range alumina refineries amongst the lowest cost producing operations in the world and the main reason behind the growing interest for Darling Range bauxite in the global market.

Bauxite Resources Strategy

BRL has pursued both a short term and long term strategy in its development of a viable project in WA. The first activity was to establish a bauxite direct shipping ore (DSO) and other products operation. In late 2009/early 2010 the Company shipped approximately 128,000 tonnes in 3 separate shipments of high grade bauxite to China in a trial and is currently working through a community consultation process for a 2Mt pa operation north of Bindoon, WA. The North Bindoon project has been referred to the WA Environmental Protection Authority (EPA) which has assessed the proposal and nominated a Public Environmental Review (PER) level of assessment.

BRL has also signed a landmark agreement with joint venture partner, Yankuang, to jointly build a 1.1 Mtpa modern Alumina refinery business in WA, subject necessary approvals and to a bankable feasibility study being undertaken and the parties being reasonably satisfied that the construction of the proposed refinery is economically viable.

Ten Detailed Agreements have been signed between BRL and Yankuang including:

- Joint Venture Resource Agreement;
- Alumina Refinery Joint Venture Agreement;
- Shareholders Agreement (for Bauxite Resource Joint Venture Pty Ltd);
- Management Agreement for Joint Venture Resource Agreement;
- Management Agreement for Alumina Refinery Joint Venture Agreement;
- Rules for United Management Committee;
- Joint Venture Resource Agreement - Deed of Cross Charge;
- Alumina Refinery Joint Venture Agreement - Deed of Cross Charge;
- Voluntary Restriction Deed;
- BRL Subsidiaries Deed.

Subject to all necessary approvals and a decision by the parties to proceed following completion of the Bankable Feasibility Study, Yankuang will pay 91% of the refinery construction cost and receive 70% of the alumina product. BRL will fund 9% of the refinery construction cost and receive 30% of the alumina product. Work towards site selection for the refinery has commenced and a target of establishing a resource of 60 million tonnes of refinery grade bauxite ore is set for 2011.

YANKUANG CORPORATION IN BRIEF

- In Australia Yankuang through Yanzhou Coal owns Felix Resources.
 - Yankuang Corporation has coal mining, coal-based chemicals, machinery manufacturing, electricity generation and aluminium as its main businesses.
 - Yankuang Corporation has total assets of AU\$18 billion.
 - Yankuang owns or has controlling stakes in 37 subsidiaries with a staff of 94,000. Its Coal Mining Company (Yan Coal) is listed on New York, Hong Kong and Shanghai stock exchanges. The annual output of coal is about 60 million tonnes.
 - The Yankuang Electricity & Aluminium Company has 9 power stations with a capacity of 527MW; the biggest power producer of its kind in China.
 - The Yankuang smelter has an annual production capacity of 140,000 tonnes of aluminium and 100,000 tonnes of baked anode for aluminium production purposes. The fabrication plant is designed to extrude 133,000 tonnes of aluminium and cast 14,500 tonnes of ingot each year.
-