

WITHDRAWAL OF FOUR RESOLUTIONS FOR GRANT OF DIRECTOR OPTIONS

The Board of Directors of Bauxite Resources Ltd has for some time been considering the merits and market response regarding the director option incentive packages to be put to shareholders at the forthcoming EGM to be held on 26th October 2009. At the time the option packages were considered by the Board and the Remuneration Committee prior to the recent investor road-show, the share price was significantly lower. During the course of the road-show feedback was received from potential investors on the increased share price and the proposed issue of options to both executive and non executive directors.

After due consideration by the Board and in the interests of existing and potential shareholders, the Board has resolved to withdraw the following resolutions from the matters to be put to shareholders:

- Resolution 5 Issue of options to Robert Nash
- Resolution 7 Issue of options to Luke Atkins
- Resolution 8 Issue of options to Neil Lithgow
- Resolution 9 Issue of options to Meng Xiangsan

The issue of options to the Managing Director Mr Daniel Tenardi remains as Resolution 6. As a point of clarification on Mr Tenardi's options the words in the Notice of Meeting indicated that the vesting requirement for the grant of options (assuming shareholder approval in the first instance) was the commencement of Direct Shipping Ore (DSO) operations. The Company has determined that the vesting will occur on the commencement of a significant level of sustainable DSO operations being a steady state of 3 million tonnes per annum.

-ENDS-

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