BAUXITE RESOURCES LIMITED

SIGNIFICANT BAUXITE MINERALISATION IDENTIFIED IN TWO NEW PROJECT AREAS IN THE DARLING RANGE

Highlights:

- **Bauxite horizons identified displaying high available alumina grades**
- **Significant drilling intersections include 7m at 38.3% available alumina**
- **Thin overburden, typically of less than 2m**
- **Low reactive silica**
- **Project areas located on private land holdings close to existing rail infrastructure**
- **Darling Range bauxite sought after by Chinese refineries for long term alternative supply source as Indonesian bauxite export bans imposed effective 12 January 2014**

Bauxite Resources Limited (ASX: BAU)("BRL" or the "Company") is pleased to provide an update on recent exploration drilling activities throughout its Darling Range tenements.

Exploration vacuum drilling completed during November and December 2013 has identified significant bauxite mineralisation on the Company's new "Dionysus" bauxite project in the northern Darling Range, and on a number of properties in the Wandering - Pingelly region which is located in the eastern Darling Range, Western Australia (see Figure 1).

The exploration project areas are contained within the Company's joint venture with HD Mining & Investments Pty Ltd, (HDM) the wholly owned subsidiary of Shandong Bureau No.1 Institute for Prospecting of Geology & Minerals (Shandong). BRL maintains 100% interest in other minerals.

Dionysus Project Exploration Area

An exploration drilling campaign has been completed on private farmland approximately 120km north east of Perth on exploration licence E70/3405. Access from Perth is via the Great Northern Highway followed by the Calingiri West Road.
The exploration program comprised 201 vertical vacuum drill holes completed for 1,333.5 metres on a nominal 320m x 160m or 320m x 320m drill pattern. Approximately 37% of the holes display greater than 25% available alumina over at least 1m thickness. The bauxite within these significant holes averages 3m, up to a maximum of 9m in thickness. The mineralised zones are shallow with limited overburden.

Significant intersections include:

- 9m @ 32.2% available alumina, 43.0% total alumina, 2.1% reactive silica from 2.5m in hole DHVBRL0679
- 7m @ 38.3% available alumina, 49.1% total alumina, 2.3% reactive silica from 1m in hole DHVBRL0560
- 5.5m @ 35.7% available alumina, 48.8% total alumina, 3.3% reactive silica from 0.5m in hole DHVBRL0580
- 6.5m @ 34% available alumina, 41.8% total alumina, 2.0% reactive silica from 1.5m in hole DHVBRL0596

The assay results quoted have been achieved without the aid of any beneficiation processes. Refer to Table 1 for all significant intersections.

Dionysus represents a new bauxite project for the Company and its JV Partner.

DATE: 16 January 2014

ASX Code: BAU

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Wandering - Pingelly Exploration Drilling Area (East Darling Range)

Reconnaissance drilling was completed on a number of private land holdings on exploration licences E70/3890 and E70/3180, between the townships of Wandering and Pingelly, approximately 120km southeast of Perth, with a view to assess bauxite potential and target further exploration in the eastern Darling Range. The program comprised 119 vacuum drill holes for a total of 569 metres, completed on a 320m x 160m spaced grid, or as a series of broad spaced traverses (see Figure 3).

Approximately 53% of the holes display greater than 25% available alumina over at least 1m thickness. Bauxite up to 13.5m was intersected (average 3.5m), with limited overburden.

Significant intersections include:

- 7m @ 38.1% available alumina, 43.6% total alumina, 2.9% reactive silica from 0.5m in hole DHVBRL0789
- 13.5m @ 33.3% available alumina, 46.6% total alumina, 1.8% reactive silica from 1m in hole DHVBRL0838
- 7.5m @ 35.8% available alumina, 44.8% total alumina, 1.4% reactive silica from 1.5m in hole DHVBRL0842
- 4.5m @ 39.5% available alumina, 44.6% total alumina, 1.9% reactive silica from 1.0m in hole DHVBRL0799

The assay results quoted have been achieved without the aid of any beneficiation processes. Refer to Table 2 for all significant intersections.

Drilling was completed on a nominal 320m x 160m, or a 320m x 320m spaced grid pattern, or as broad spaced traverses (see Figures 2 and 3 for drill hole locations), on a small number of private land holdings. The geological setting is laterite over a predominantly granitic basement with mineralisation tabular in nature, formed by the weathering of the granite or mafic rocks. A bauxite horizon up to 13.5m thickness has been intersected, that is typically covered by 0.5 to 2m of loose overburden. All holes were drilled vertically, with intersected thicknesses considered as true thickness, given the relatively flat lying nature of mineralisation. All samples were analysed using FTIR, with 10% of those displaying greater than 23% available alumina validated by low temperature (148^{o}) caustic digest and ICP analysis for available alumina and reactive silica, and XRF analysis for total alumina and silica. Results have been compiled in conjunction with non-certified standard reference material and field duplicates.

Peter Canterbury, BRL CEO commented on the results: "The Company is encouraged by the results. Drill hole spacing is wide given the reconnaissance nature of the program; however it is has shown intersections of very good bauxite grades and thicknesses. This is very early stage exploration and further follow-up drilling will be required before a resource estimate can be made. Similar to our other deposits at Fortuna and Felicitas this deposit is located on large areas of private farmland where we have exploration access agreements with the landowner and is in close proximity to existing bulk rail infrastructure."

Mr Canterbury added “Not only do we have two new regions with good bauxite potential to supply low temperature refineries, in addition the bauxite we are finding shows real potential as a sweetening bauxite in high temperature refineries which are more common in China and will provide significant processing benefits such as increasing circuit liquor quality and yield as well as energy savings.”

Bauxite Market Update

The Indonesian Government confirmed on January 12, 2014, that the ban on bauxite exports from Indonesia will commence immediately. Last year it is estimated approximately 40-45 million tonnes of bauxite was exported from Indonesia to China. The ban will ultimately require additional supply of bauxite to satisfy demand out of China. Australia logistically is well placed to supply this demand and Western Australia is currently the largest bauxite producing region in the world. With BRL’s bauxite resources located near existing rail infrastructure this provides an opportunity for low capital cost and nearer term start-up of direct shipment export of bauxite from Western Australia. Australia’s proximity to China means Australia has a logistical advantage to many other alternative supply sources and therefore positions the Company well to take advantage of the increase in demand for Australian bauxite.

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Figure 1: Bauxite Resources Ltd Tenement Holding

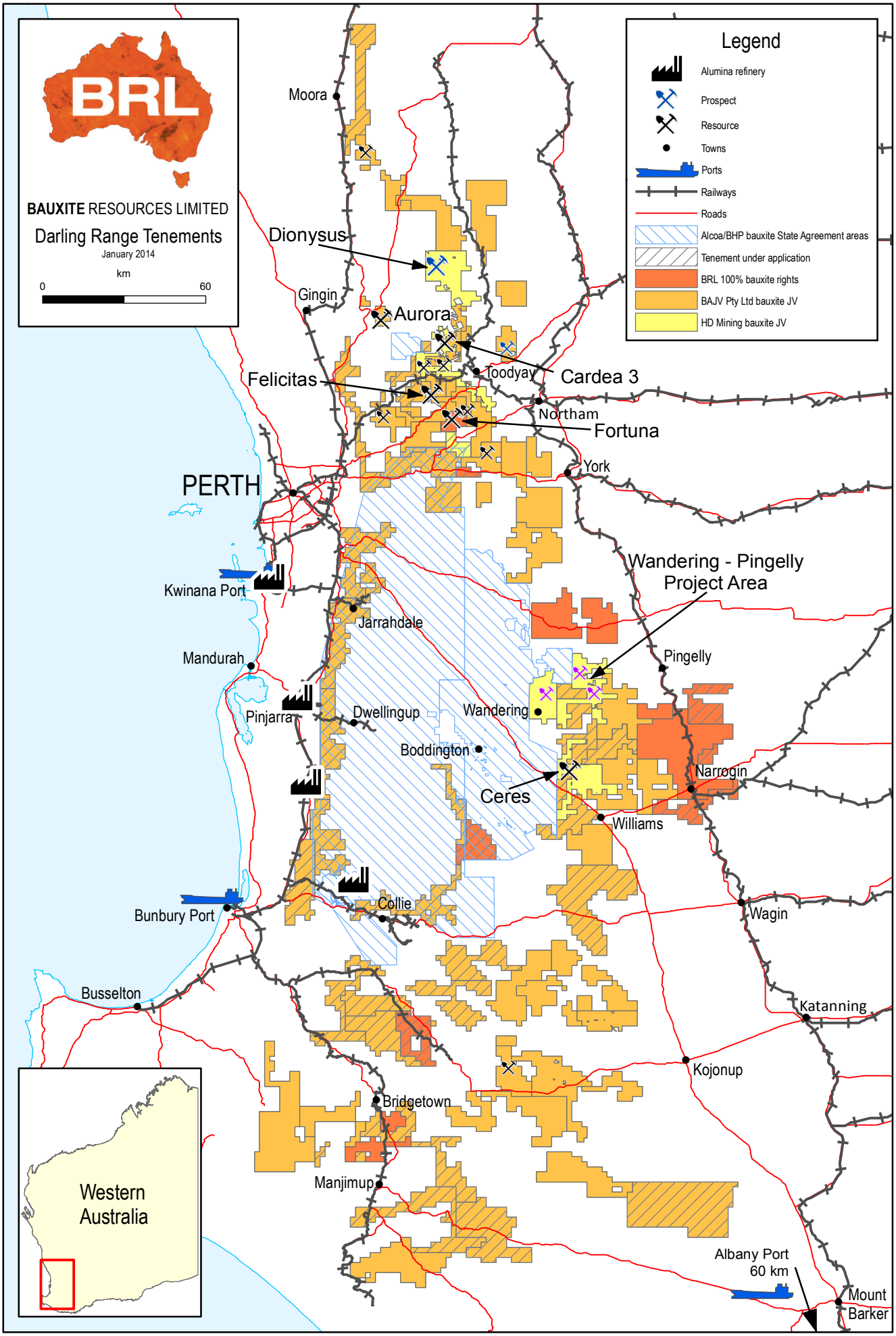

Figure 2: Dionysus Drill Hole Location Map

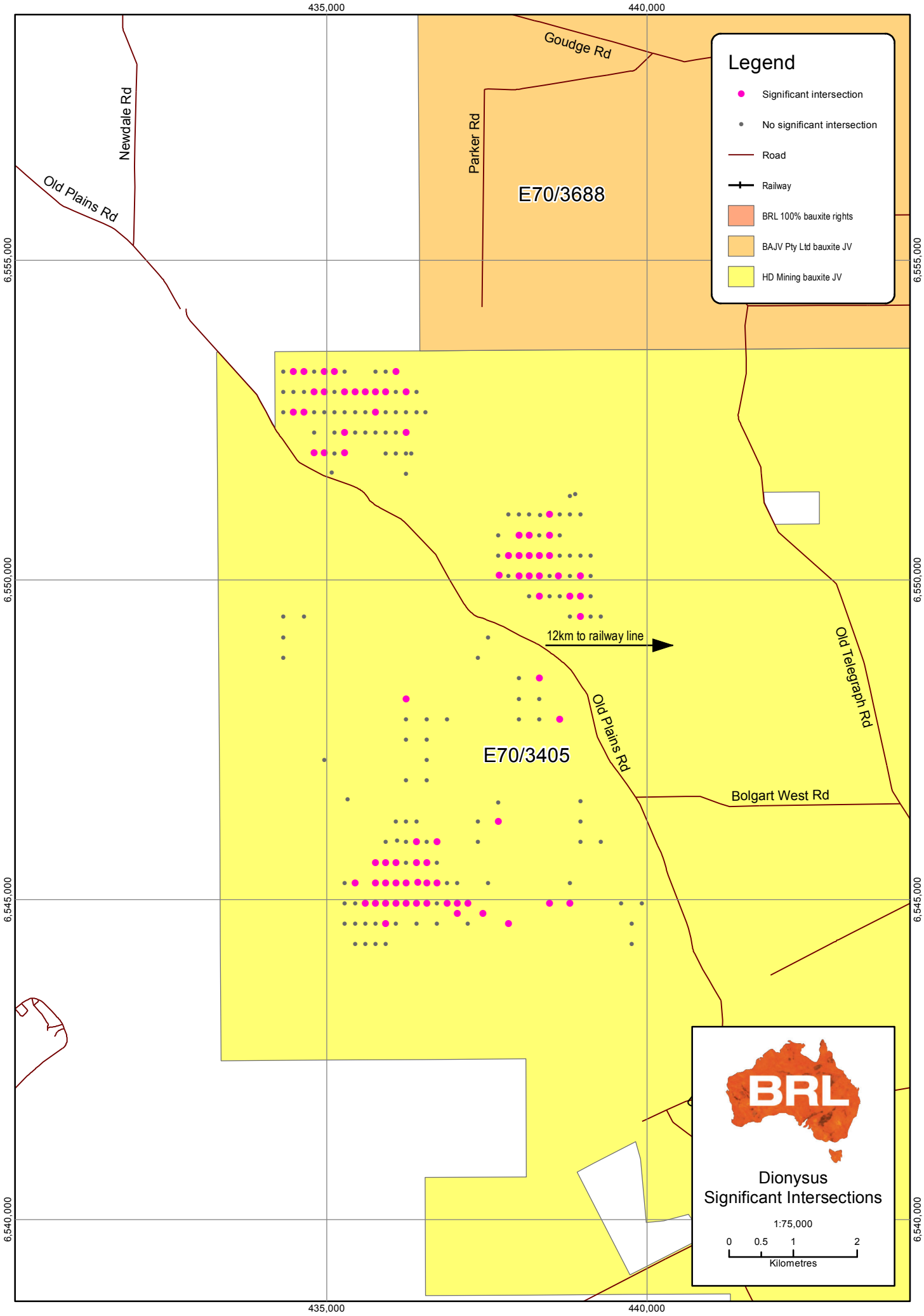

Figure 3: Wandering - Pingelly Drill Hole Location Map

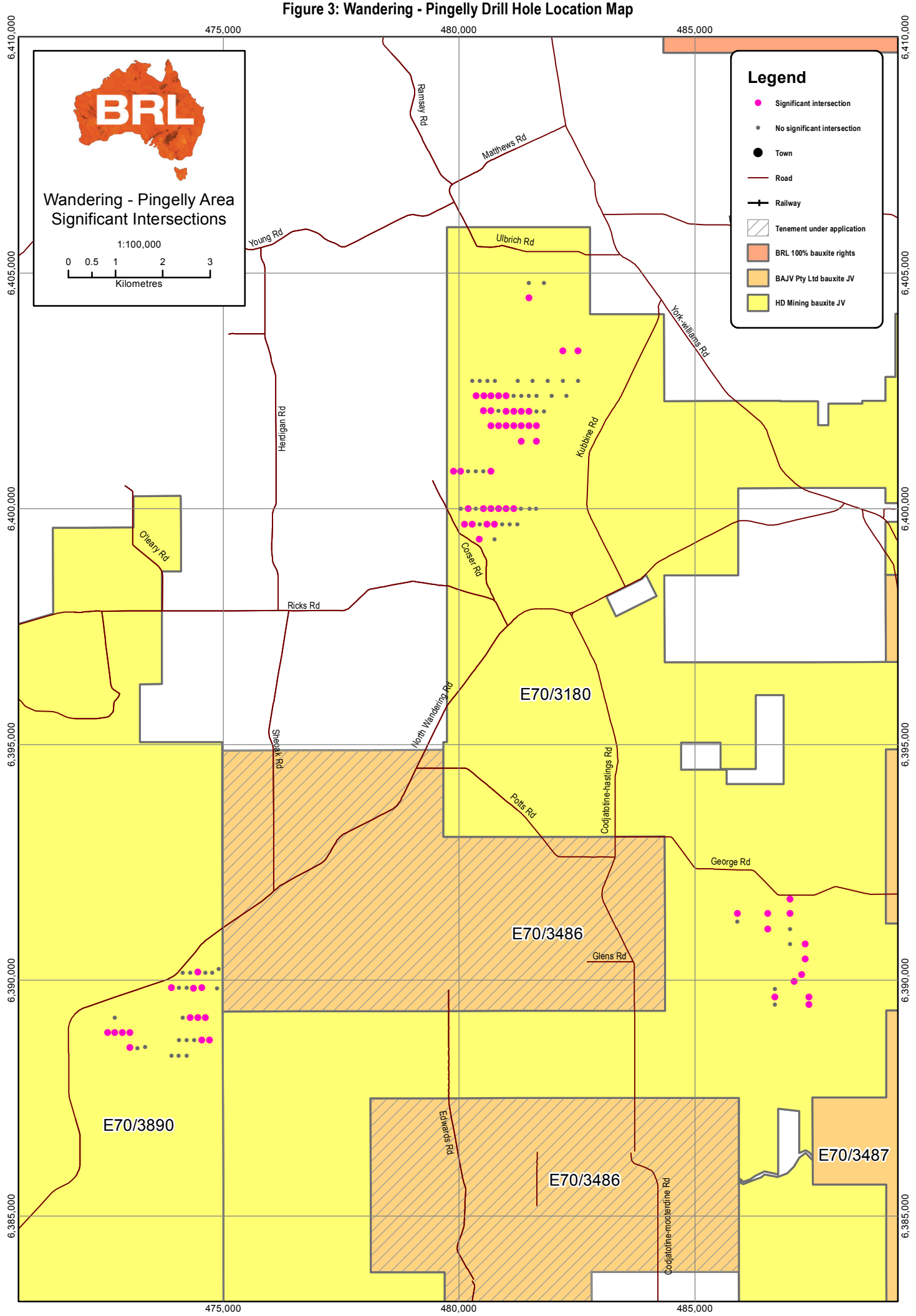

Table 1: Dionysus - All bauxite intersections of greater than 25% available alumina over at least 1m thickness

Hole ID	East (GDA)	North (GDA)	Tenement ID	From (m)	To (m)	Interval Width (m)	Total Al_2O_3 (%)	Available Al_2O_3 (%)	Total SiO_2 (%)	Reactive SiO_2 (%)
DHVBRL0523	436420	6545265	E70/3405	0.5	2	1.5	39.1	26.2	8.2	3.3
DHVBRL0524	436718	6545262	E70/3405	1	6	5	43.9	32.6	9.5	2.3
DHVBRL0525	436077	6545260	E70/3405	0.5	4	3.5	34.7	26.2	7.3	2.8
DHVBRL0526	435755	6545262	E70/3405	1	4.5	3.5	35.9	27.2	9.8	3.1
DHVBRL0527	435439	6545263	E70/3405	0.5	1.5	1	44.1	35.5	10.7	6.3
DHVBRL0529	435757	6544938	E70/3405	1	4	3	40.8	32.4	18.8	4.7
DHVBRL0530	436077	6544939	E70/3405	1.5	6	4.5	39.9	31.7	9.3	3.7
DHVBRL0531	436399	6544939	E70/3405	1	4	3	40.8	30.1	10.5	2.3
DHVBRL0533	437039	6544781	E70/3405	0.5	5	4.5	42.8	34.5	13.9	4.7
DHVBRL0534	437441	6544778	E70/3405	2.5	6	3.5	38.5	29.4	12.8	4.7
DHVBRL0540	436399	6545580	E70/3405	0.5	6	5.5	40.5	29.6	9.3	3.6
DHVBRL0541	436080	6545580	E70/3405	0.5	2.5	2	33.9	25.3	10.3	3.9
DHVBRL0542	436397	6545903	E70/3405	0.5	3	2.5	43.9	30.2	11.8	3.2
DHVBRL0544	436719	6545898	E70/3405	3	4	1	34.9	26.8	26.3	3.8
DHVBRL0546	437998	6550060	E70/3405	0.5	1.5	1	38.3	26.8	10.8	2.5
DHVBRL0547	438317	6550062	E70/3405	1	2	1	36.3	28.0	16.2	5.8
DHVBRL0548	438617	6550057	E70/3405	1.5	4	2.5	45.0	33.5	16.4	5.5
DHVBRL0549	438961	6550059	E70/3405	1.5	2.5	1	41.0	31.0	15.7	7.1
DHVBRL0550	438955	6549741	E70/3405	1	5	4	48.3	35.0	10.5	4.0
DHVBRL0552	438959	6549419	E70/3405	0	3	3	45.3	36.0	12.0	6.3
DHVBRL0556	438317	6550383	E70/3405	1	6	5	45.4	34.0	8.4	2.8
DHVBRL0557	438003	6550379	E70/3405	1	4.5	3.5	45.3	30.9	9.0	3.1
DHVBRL0558	437696	6550071	E70/3405	0.5	3.5	3	38.5	30.2	17.0	6.4
DHVBRL0559	438321	6549734	E70/3405	0.5	1.5	1	41.1	29.2	10.1	5.4
DHVBRL0560	438000	6550696	E70/3405	1	8	7	49.1	38.3	7.4	2.3
DHVBRL0570	436240	6552300	E70/3405	0	1.5	1.5	40.0	30.1	19.8	7.5
DHVBRL0578	434641	6552617	E70/3405	0.5	2	1.5	37.2	27.9	21.7	6.7
DHVBRL0580	435279	6552301	E70/3405	0.5	6	5.5	48.8	35.7	7.1	3.3
DHVBRL0581	435279	6551979	E70/3405	1.5	6	4.5	40.2	30.5	9.3	3.6
DHVBRL0586	434639	6553261	E70/3405	1	3	2	41.5	28.9	16.8	6.8
DHVBRL0587	434480	6553261	E70/3405	2.5	4.5	2	45.4	32.3	11.5	4.4
DHVBRL0589	434799	6552942	E70/3405	0.5	4	3.5	42.4	34.5	14.2	4.2
DHVBRL0590	434959	6552944	E70/3405	1	5.5	4.5	46.7	31.7	18.7	5.4
DHVBRL0592	435277	6552938	E70/3405	1	2	1	42.1	31.7	27.1	8.5
DHVBRL0593	435436	6552937	E70/3405	0.5	2	1.5	40.2	31.5	23.7	6.3
DHVBRL0594	435599	6552938	E70/3405	1	2.5	1.5	42.8	34.4	20.0	4.7
DHVBRL0595	435757	6552939	E70/3405	1	2.5	1.5	42.3	31.2	18.9	5.1
DHVBRL0596	435915	6552939	E70/3405	1.5	8	6.5	41.8	34.0	8.6	2.0
DHVBRL0600	435121	6553259	E70/3405	1.5	3.5	2	43.5	31.0	19.3	6.1
DHVBRL0601	434960	6553259	E70/3405	1	6.5	5.5	41.0	30.4	15.0	3.6
DHVBRL0603	434482	6552631	E70/3405	1	3.5	2.5	44.0	29.6	18.5	4.3
DHVBRL0611	434960	6551977	E70/3405	0	1	1	40.1	29.5	19.3	5.9
DHVBRL0612	434800	6551980	E70/3405	0	1	1	41.6	33.2	14.8	5.7
DHVBRL0613	435758	6552619	E70/3405	1	2	1	40.0	28.8	18.6	4.9
DHVBRL0622	436238	6552943	E70/3405	0.5	4	3.5	44.0	35.7	13.3	4.4
DHVBRL0624	436083	6553258	E70/3405	1.5	2.5	1	37.6	29.3	18.1	7.0
DHVBRL0627	438476	6551021	E70/3405	1.5	5	3.5	41.1	27.8	16.6	5.1
DHVBRL0629	438480	6550703	E70/3405	1.5	4	2.5	47.0	35.7	11.1	5.2
DHVBRL0630	438160	6550700	E70/3405	1.5	5	3.5	46.3	29.8	15.9	3.7
DHVBRL0631	438157	6550385	E70/3405	0.5	2.5	2	40.5	29.5	14.0	6.2
DHVBRL0632	438478	6550381	E70/3405	2	6.5	4.5	45.3	30.3	17.4	5.4
DHVBRL0636	438160	6550061	E70/3405	0.5	3	2.5	39.1	30.0	15.6	3.8
DHVBRL0643	438801	6549743	E70/3405	1	3	2	46.6	36.9	10.4	4.3
DHVBRL0647	437841	6550384	E70/3405	0.5	6.5	6	38.3	33.1	18.5	3.8
DHVBRL0651	436553	6545585	E70/3405	1.5	3	1.5	37.0	27.8	19.2	2.3
DHVBRL0655	435766	6545574	E70/3405	0.5	2.5	2	37.6	28.6	14.2	6.4
DHVBRL0656	435920	6545580	E70/3405	0.5	6	5.5	37.9	30.9	10.5	3.4
DHVBRL0659	436565	6545261	E70/3405	1.5	5	3.5	41.0	29.9	15.5	3.1

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Hole ID	East (GDA)	North (GDA)	Tenement ID	From (m)	To (m)	Interval Width (m)	Total Al_2O_3 (%)	Available Al_2O_3 (%)	Total SiO_2 (%)	Reactive SiO_2 (%)
DHVBRL0660	436242	6545258	E70/3405	0.5	5	4.5	41.1	33.6	9.9	3.9
DHVBRL0661	435919	6545260	E70/3405	0.5	2.5	2	41.4	32.9	9.3	4.5
DHVBRL0664	435599	6544942	E70/3405	1	3.5	2.5	42.5	33.7	17.9	3.5
DHVBRL0665	435917	6544939	E70/3405	0.5	2	1.5	40.1	30.7	9.1	2.9
DHVBRL0666	436237	6544939	E70/3405	1	6	5	41.3	31.1	8.6	2.6
DHVBRL0669	436554	6544941	E70/3405	1	4	3	43.9	34.3	10.8	3.4
DHVBRL0670	435920	6544620	E70/3405	1.5	3	1.5	38.7	25.7	23.8	5.2
DHVBRL0675	436887	6544935	E70/3405	1	5.5	4.5	44.0	37.4	14.8	3.4
DHVBRL0676	437039	6544939	E70/3405	2	7	5	45.3	32.5	13.5	3.6
DHVBRL0677	437198	6544938	E70/3405	4	5	1	40.4	28.5	17.9	2.4
DHVBRL0678	437840	6544620	E70/3405	1	6	5	43.0	32.8	13.1	4.6
DHVBRL0679	438480	6544940	E70/3405	2.5	11.5	9	43.0	32.2	8.0	2.1
DHVBRL0680	438800	6544940	E70/3405	0.5	3	2.5	39.6	28.9	10.7	4.2
DHVBRL0691	437680	6546220	E70/3405	1	2.5	1.5	37.1	28.5	17.3	5.3
DHVBRL0702	436240	6548140	E70/3405	0	1	1	37.9	27.6	11.7	5
DHVBRL0706	438642	6547813	E70/3405	0.5	3.5	3	39	33.8	9.2	1.7
DHVBRL0710	438315	6548463	E70/3405	1.5	4.5	3	40.9	29.4	9.7	3.2

**Vacuum drill samples were collected at 0.5m intervals and either bulk sampled, or if >2kg, riffle split in the field. The samples were delivered to Nagrom laboratory where each sample was crushed and pulverized and analysed by fourier transform infrared (FTIR). All holes were drilled vertically, with intersected thicknesses deemed as close to true thickness, given the relatively flat nature of mineralisation targeted. RL variation is considered not to materially affect calculated intersections, and as such has been omitted from Table 1.*

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Table 2: Wandering - Pingelly region. All bauxite intersections of greater than 25% available alumina over at least 1m thickness

Hole ID	East (GDA)	North (GDA)	Tenement ID	From (m)	To (m)	Interval Width (m)	Total Al_2O_3 (%)	Available Al_2O_3 (%)	Total SiO_2 (%)	Reactive SiO_2 (%)
DHVBRL0725	480674	6399992	E70/3180	0.5	1.5	1	45.5	38.7	19.3	6.0
DHVBRL0727	480194	6399993	E70/3180	1.5	4	2.5	46.2	39.2	13.8	3.7
DHVBRL0729	480114	6399673	E70/3180	1	2	1	40.9	34.8	20.6	6.1
DHVBRL0730	480274	6399673	E70/3180	0.5	1.5	1	37.5	27.3	26.6	7.3
DHVBRL0732	480594	6399672	E70/3180	1	2	1	41.0	31.4	23.3	5.2
DHVBRL0733	480754	6399672	E70/3180	1	2.5	1.5	41.7	30.0	24.3	6.0
DHVBRL0738	480433	6399352	E70/3180	0.5	1.5	1	36.8	28.6	24.2	6.1
DHVBRL0742	481154	6399991	E70/3180	0.5	2	1.5	38.6	27.0	25.3	6.4
DHVBRL0743	480994	6399991	E70/3180	0.5	2	1.5	43.1	31.8	17.5	5.2
DHVBRL0744	480834	6399992	E70/3180	1.5	4	2.5	45.2	36.8	13.7	3.2
DHVBRL0745	480514	6399992	E70/3180	1.5	3.5	2	43.7	32.8	22.0	3.7
DHVBRL0746	479875	6400793	E70/3180	2	6.5	4.5	40.1	32.9	16.9	3.1
DHVBRL0747	480035	6400793	E70/3180	1	4.5	3.5	40.6	32.5	18.7	3.2
DHVBRL0751	480675	6400792	E70/3180	1	4	3	38.3	29.5	14.5	2.5
DHVBRL0752	481316	6401431	E70/3180	1	3.5	2.5	42.7	33.5	20.3	4.9
DHVBRL0753	481636	6401430	E70/3180	1	4	3	40.3	30.4	16.9	4.0
DHVBRL0754	481637	6401750	E70/3180	1	4	3	40.7	32.8	24.8	4.3
DHVBRL0755	481317	6401751	E70/3180	0.5	2	1.5	38.7	29.4	26.7	7.6
DHVBRL0756	481317	6402071	E70/3180	0.5	2.5	2	39.5	31.6	19.9	3.4
DHVBRL0757	481477	6402071	E70/3180	1.5	3	1.5	42.6	31.0	22.6	4.7
DHVBRL0764	480998	6402391	E70/3180	2	6	4	43.9	35.8	11.5	2.6
DHVBRL0765	481157	6402071	E70/3180	2	5	3	40.3	32.4	32.2	0.8
DHVBRL0766	481477	6401751	E70/3180	0.5	3	2.5	40.5	33.8	24.1	5.5
DHVBRL0776	481481	6404471	E70/3180	1	3	2	41.0	30.4	25.6	1.7
DHVBRL0779	482519	6403349	E70/3180	1	3	2	41.3	32.5	22.5	6.2
DHVBRL0780	482199	6403350	E70/3180	0.5	3.5	3	37.9	30.8	24.3	4.8
DHVBRL0783	480358	6402392	E70/3180	1.5	3	1.5	41.1	27.3	19.5	6.3
DHVBRL0784	480518	6402392	E70/3180	1.5	4.5	3	43.3	30.6	15.5	3.7
DHVBRL0785	480678	6402392	E70/3180	0	3.5	3.5	44.0	38.3	20.4	4.6
DHVBRL0786	480838	6402392	E70/3180	1	5	4	44.8	35.8	11.3	0.8
DHVBRL0787	480997	6402071	E70/3180	1.5	8	6.5	42.0	35.2	16.7	1.3
DHVBRL0789	480677	6402072	E70/3180	0.5	7.5	7	43.6	38.1	16.8	2.9
DHVBRL0790	480517	6402072	E70/3180	1	7	6	40.7	31.8	20.5	3.3
DHVBRL0791	480677	6401752	E70/3180	2	7.5	5.5	41.4	32.8	25.2	1.0
DHVBRL0792	480837	6401752	E70/3180	0.5	6.5	6	42.4	35.5	24.1	6.8
DHVBRL0793	480997	6401751	E70/3180	1	5	4	35.2	26.8	10.8	2.5
DHVBRL0794	481157	6401751	E70/3180	1	4.5	3.5	43.0	37.0	16.6	2.8
DHVBRL0798	474540	6388720	E70/3890	1	7.5	6.5	44.4	34.3	23.5	2.9
DHVBRL0799	474700	6388720	E70/3890	1	5.5	4.5	44.6	39.5	12.5	1.9
DHVBRL0800	474620	6389200	E70/3890	1.5	5	3.5	41.7	33.4	13.7	3.3
DHVBRL0801	474460	6389200	E70/3890	2.5	6	3.5	42.7	29.1	21.5	1.9
DHVBRL0802	474300	6389200	E70/3890	0.5	4	3.5	43.9	37.7	22.8	3.3
DHVBRL0804	473900	6389840	E70/3890	0.5	1.5	1	38.7	29.0	36.4	5.4
DHVBRL0807	474368	6389821	E70/3890	0.5	4	3.5	43.1	35.1	24.1	3.4
DHVBRL0808	474540	6389840	E70/3890	0.5	6.5	6	45.0	38.3	18.2	2.3
DHVBRL0814	474460	6390160	E70/3890	0.5	7	6.5	42.6	35.0	18.1	2.1
DHVBRL0817	472540	6388880	E70/3890	0.5	4	3.5	43.7	35.3	16.8	2.2
DHVBRL0818	472700	6388880	E70/3890	3	9.5	6.5	43.0	32.1	20.0	1.1
DHVBRL0819	472860	6388880	E70/3890	2.5	6.5	4	41.5	31.1	11.9	2.8
DHVBRL0820	473020	6388880	E70/3890	1.5	3	1.5	37.8	27.9	27.3	6.4
DHVBRL0821	473020	6388560	E70/3890	0.5	3	2.5	40.9	36.1	21.9	4.9
DHVBRL0827	487020	6391720	E70/3180	0.5	1.5	1	44.1	37.1	26.8	6.8

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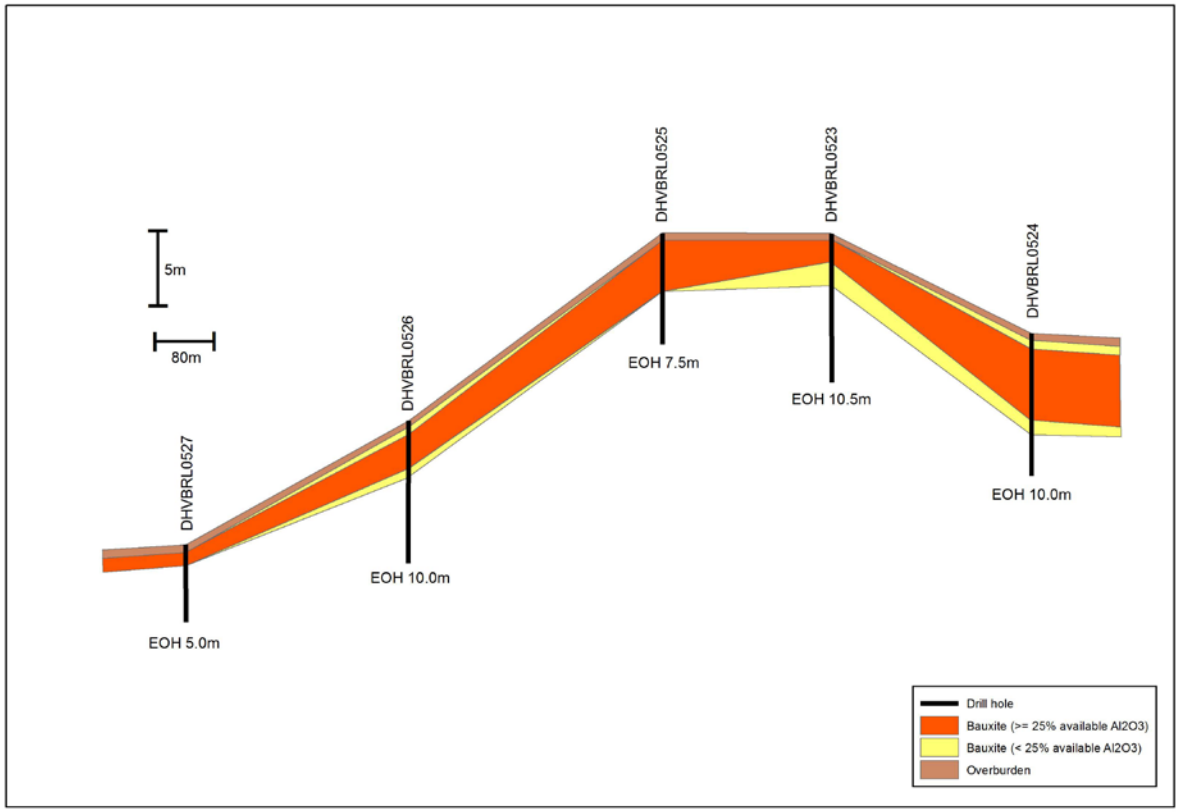
Hole ID	East (GDA)	North (GDA)	Tenement ID	From (m)	To (m)	Interval Width (m)	Total Al_2O_3 (%)	Available Al_2O_3 (%)	Total SiO_2 (%)	Reactive SiO_2 (%)
DHVBRL0828	487020	6391400	E70/3180	1	2	1	36.4	30.7	36.1	5.0
DHVBRL0829	486540	6391400	E70/3180	2.5	6	3.5	41.7	31.6	21.6	2.5
DHVBRL0830	485900	6391400	E70/3180	0.5	3	2.5	41.6	35.6	17.4	4.5
DHVBRL0832	486540	6391080	E70/3180	3	9.5	6.5	43.5	29.2	13.0	1.9
DHVBRL0835	487340	6390760	E70/3180	2.5	6.5	4	40.7	29.0	23.4	1.8
DHVBRL0836	487340	6390440	E70/3180	2	5.5	3.5	44.8	36.0	12.1	2.8
DHVBRL0837	487260	6390120	E70/3180	2	6	4	43.4	29.9	11.3	2.3
DHVBRL0838	487100	6389960	E70/3180	1	14.5	13.5	46.6	33.3	10.0	1.8
DHVBRL0840	486700	6389640	E70/3180	3	9.5	6.5	47.3	29.6	9.6	1.2
DHVBRL0842	487420	6389640	E70/3180	1.5	9	7.5	44.8	35.8	13.2	1.4
DHVBRL0843	487420	6389480	E70/3180	3.5	6	2.5	36.7	27.9	18.4	3.3

**Vacuum drill samples were collected at 0.5m intervals and either bulk sampled, or if >2kg, riffle split in the field. The samples were delivered to Nagrom laboratory where each sample was crushed and pulverized and analysed by fourier transform infrared (FTIR). All holes were drilled vertically, with intersected thicknesses deemed as close to true thickness, given the relatively flat nature of mineralisation targeted. RL variation is considered not to materially affect calculated intersections, and as such has been omitted from Table 2.*

COMPETENT PERSON STATEMENT

The information in this announcement that relates to Exploration results is based on information compiled by Mark Menzies, who is a member of the Australian Institute of Geoscientists. Mr Menzies is a qualified geologist and a full time employee, and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Menzies has consented to the inclusion in this announcement of the Exploration Information in the form and context in which it appears.

Figure 4: Typical cross section from the Darling Range (Dionysus)



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JORC list of reporting criteria for Dionysus and Wandering region exploration drilling

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Mineralisation was sampled using Vacuum (VAC) drilling. A total of 320 holes were drilled for a total of 1,902.5m. Holes were drilled vertical to optimally intersect the mineralised zones. Vacuum samples were collected at 0.5m intervals. Whole samples were taken when sample return was less than 2kg. A twin riffle splitter was used for samples weighing more than 2kg, with one split collected in a calico bag for analysis and the remainder dropped on the ground. Sampling and QAQC procedures were carried out to industry standards.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• All drilling was undertaken using a tractor mounted vacuum drill rig utilising a 45mm drill bit.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• All samples were weighed. This provides an indirect record of sample recovery. • All VAC samples were visually checked for recovery, moisture and contamination. • No relationship exists between sample recovery and grade.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• All holes were field logged by company supervised geologists. Weathering, lithology, alteration and mineralogy information were recorded. • No diamond core was drilled. • All drill holes were logged in full.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*	• No diamond core was drilled. • All 0.5m VAC samples are collected at the rig. Typically, entire samples were analysed, however those weighing more than 2kg were split using a twin riffle splitter (50:50) used at the rig. • Samples were submitted to Nagrom Laboratories in Perth for a variety of analysis techniques. Samples at Nagrom are dried in a convection oven for 12 hours at 105°C. Dried samples are weighed to determine that they are less than 2kg and any overweight samples were crushed to -6.3mm if necessary then split to less than 2kg. Samples are then pulverised in a vibrating disc LM-5 pulveriser to produce a 150µm pulp. These pulps are split into 100g samples for retention and analysis. • Field QC procedures involved the use of un-certified

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Criteria	JORC Code explanation	Commentary
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • *Whether sample sizes are appropriate to the grain size of the material being sampled*	reference materials (1 in 40), and field duplicates (1 in 20 for samples >2kg in weight). The field duplicates have accurately reflected the original assay. The standards have no expected value but were shown to be reproducible. Recognised laboratories have been used for analysis of samplesThe standard sampling procedure used by BRL is to submit the entire sample to Nagrom for analysis. Samples are only split at the rig when the sample weight exceeds 2kg. A twin riffle splitter is used to collect a sample for analysis with the remainder dropped on the ground. Field duplicates are collected from these split samples at a rate of 1:20 • Sample sizes are considered appropriate to correctly represent the bulk tonnage mineralisation based on: the style of mineralisation, the thickness and consistency of the intersections, the sampling methodology (typically full sample) and assay value ranges for bauxite.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Samples are analysed at Nagrom Laboratory in Perth by Fourier-Transform Infrared (FTIR) with ~10% of results greater or equal to 23% available alumina verified by low temperature digest (BOMB) and ICP analysis and XRF analysis. • No geophysical tools were used to determine any element concentrations used in this resource estimate. • • Laboratory QAQC includes the use of internal standards using certified reference material, laboratory duplicates and pulp repeats. The field duplicates have accurately reflected the original assay. Un certified standards have generally reported within acceptable limits although bias in the FTIR results show the need for careful calibration when using this analytical technique.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• BRL Exploration Manager and Exploration Project Manager have independently verified significant intersections in the drilling. • No twin holes were drilled. • BRL geologists logged all drill samples at the rig, with a minimum logging interval of 0.5m. Regular chip-tray samples were collected as permanent physical records for audit and validation purposes, and all holes photographed for future reference and reconciliation of assay results with geology. All logging data was captured in digital logging devices to ensure consistency of coding and minimise data entry errors. Logging is described using the BRL Bauxite Logging Codes preloaded into the data logger. • No adjustment made for alumina. Reactive silica below detection was adjusted to zero.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• All the drill holes at Dionysus were picked up with RTK survey equipment except DHVBRL0541, 656, 670, 678 - 702, which are planned coordinates. Drill collars from the Wandering - Pingelly area are planned coordinates, with holes drilled within 5m of planned holes, as located with a handheld GPS. These holes will be surveyed at a later time. RL values have not been reported as deemed not to affect downhole calculated intersections. Down hole surveys have not been taken as drill holes are all less than 20m in depth and drilled vertically through the predominantly flat lying laterite.

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Criteria	JORC Code explanation	Commentary
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• The nominal drill hole spacing is 320m by 320m or 320m x 160m, or as broad spaced traverses. See figure in body of material for locations. Significant collar coordinates appear in Table 1 and 2. • The mineralised domains have not yet demonstrated sufficient continuity in both geological and grade continuity to support the definition of Mineral Resource, and the classifications applied under the 2012 JORC Code. • No compositing of samples was applied.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Drill holes are drilled vertical, which is approximately perpendicular to the orientation of the flat-lying mineralisation. • No orientation based sampling bias has been identified in the data.
Sample security	• *The measures taken to ensure sample security.*	• Chain of custody is managed by BRL. Samples are stored on site prior to being trucked to Nagrom in Perth by BRL employees, who have no further involvement in the preparation or analysis of the samples.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews conducted to date.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.*	• The drilling was completed entirely within tenements E70/3405, E70/3890 and E70/3180, and contained within the Company's joint venture with HD Mining & Investments Pty Ltd, (HDM) the wholly owned subsidiary of Shandong Bureau No.1 Institute for Prospecting of Geology & Minerals (Shandong). Under the BRL-HD Mining Joint Venture arrangements**,** HDM is currently working towards obtaining 40% interest in the bauxite rights of several tenements wholly owned by BRL. HDM are fully funding exploration activities and their interest will be triggered if HDM enters into a binding commitment to undertake a feasibility study on the tenements. BRL maintains 100% interest in other minerals. • The tenements are in good standing with no known impediment for further exploration.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Bauxite was identified in the greater region by Pacminex Pty Ltd in the period 1968-1975 by drilling of several target areas.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Bauxite intersected is typical of that seen in number of Darling Range deposits, representing a profile of weathering and alteration, of apparently in-situ material, separated by a thin clay or saprolite interval from the underlying ancient granite and gneiss of the Yligarn Craton. Resultant bauxite zones occur as flat lying tabular bodies.

Drill hole information	• *A summary of all information material to the under-standing of the exploration results including a tabulation of the following information for all Material drill holes:*
	  • *easting and northing of the drill hole collar*
	  • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  • *dip and azimuth of the hole*
		• Drill hole locations are shown on the attached map and tables within body of the report.

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Criteria	JORC Code explanation	Commentary
	• *down hole length and interception depth* • *hole length* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• In the opinion of BRL material drill results have been adequately reported.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Exploration results have been length weighted. No top cuts applied. A nominal lower cut of 25% available alumina has been applied, allowing up to 0.5m of consecutive internal dilution. • No significant internal high grades intersected. • Metal equivalent values are not being reported.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g.'down hole length, true width not known').*	• All drill holes are vertical and intersect the tabular, flat lying mineralisation orthogonally, and represent true thickness.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Relevant diagrams have been included within the Mineral Resource report main body of report.
Balanced Reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All significant exploration results have been reported.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples - size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Nil
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large- scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Drilling completed to date indicates the presence of bauxite mineralisation only. Further drilling is required to verify any continuity of intersected bauxite.

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