



BAUXITE STARTS BUILDING ITS GROWTH TEAM WITH KEY DIRECTOR APPOINTMENT

EXPERIENCED MINING EXECUTIVE DAVID McSWEENEY APPOINTED TO THE BOARD

Recently-listed Australian bauxite explorer, Bauxite Resources Limited (**ASX: BRL – “Bauxite”**), has moved quickly to bolster its senior management team with the appointment of well-known and highly experienced Australian mining executive, **Mr David McSweeney**, to its board as a non-executive Director.

The appointment is expected to be the first of several senior appointments for Bauxite as it embarks on its strategy of developing a sustainable bauxite export business in Western Australia and assessing the potential resources within its extensive ground holdings for the establishment of an alumina refinery. The Company is also actively recruiting a suitable CEO and other key executives to spearhead its growth strategy.

The Perth-based Company has attracted strong investor and market interest since listing on the Australian Securities Exchange on 22 October following its heavily oversubscribed A\$7.5 million IPO. Its core asset is a highly strategic 5,459km² tenement portfolio prospective for bauxite in the Darling Ranges of WA – which produces 17% of the world’s alumina – and the Kimberley region.

Mr McSweeney brings a depth of expertise in the international mining and resources industry to the Bauxite Board, including experience in the development of bulk commodity projects, infrastructure and a wide-ranging contact network across Asia. He has worked in the resources sector for over 20 years in a variety of roles ranging from exploration to project management, project finance, commercial and legal structuring and corporate development.

He was founding Managing Director of successful resources group, Gindalbie Metals Ltd, where he oversaw two successful gold mine developments and was instrumental in the Company’s more recent repositioning as an iron ore company. After his departure from Gindalbie in 2006, Mr McSweeney established ASX-listed Avalon Minerals, a diversified resources company of which he is currently Executive Chairman and Managing Director.

Mr McSweeney’s previous directorships include positions on the Goldfields Esperance Development Commission, Goldfields Credit Union, Australian Gold Council and Association of Mining and Exploration Companies (AMEC). Mr McSweeney was also previously a non-executive director of ASX-listed copper-gold exploration company, Exco Resources Ltd.

Commenting on the appointment, Bauxite Resources Chairman, Mr Luke Atkins said: “We are very fortunate to secure someone of David’s calibre to join our team. His vast experience in project acquisition and development, his passion for exploration and his well-established business and regulatory networks will be a great asset to the Company moving forward.”

“David will be a strong and valuable contributor to our business development strategy, which will be focused on developing a world-class bauxite resource base in Western Australia as the basis for a sustainable business which will be ideally positioned to service the rapidly growing bauxite market,” he added.

Bauxite Market

Australia currently produces over 40% of the world’s bauxite and in combination with Guinea, contains approximately 50% of the world’s reserves. The primary use of bauxite is in the production of aluminium which is derived from alumina, a processed form of bauxite.

Over the past five years the substantial increase in world demand for aluminium has seen alumina production running at close to full capacity. This demand, led by China, has resulted in a reduction of world alumina stockpiles and a corresponding strong increase in the spot price for aluminium which, for the first eight months of 2007 averaged US\$2,740 a tonne, nearly 7 per cent higher than the 2006 average price of US\$2,570 a tonne.

In the same five year period, there has also been a noticeable consolidation within the aluminium industry evidenced with the many takeovers including Alumax, Inespal, Alpex and Reynolds by Alcoa and more recently, the US\$38.1 billion takeover of Alcan by global mining giant, Rio Tinto.

The above economic factors, in combination with the fact that the Company's tenements are in close proximity to established infrastructure, - including ports, rail, road networks and alumina refineries - represents an opportunity for Bauxite Resources to generate early cash flow from the direct shipping of bauxite ore.

Projects

The **Muchea Project** covers part of the Darling Range ground that was previously explored in the 1960's and 70s by CSR and Pacminex. During that time, the equivalent (in today's terms) of approximately A\$50m was spent on this ground, including extensive and high-quality drilling programs, metallurgical testwork, resource estimations, and plant feasibility. The Muchea Project covers ground that extends beyond these previously explored areas which are reported to contain bauxitic laterite.

The Company's other assets include the **South Darling Range Project** – which includes freehold ground adjacent to Alcoa's Huntley and Willowdale Mines, the largest bauxite producing regions in the world, and areas surrounding Alcoa's mineral lease area – and the **Kimberley Project**, which is adjacent to the bauxite exploration areas and in the vicinity of the Mitchell Plateau and Cape Bougainville, which contain some of the largest known bauxite deposits in the world.

- ENDS -

Released by:
Nicholas Read/ Jason Cunningham
Read Corporate
Telephone: (61-8) 9388-1474
Mobile: 0419 929 046

On behalf of:
Mr Luke F Atkins
Executive Chairman
Bauxite Resources Limited
Telephone: (+61-8) 9221 5019

Mr David McSweeney
Non-Executive Director
Bauxite Resources Limited
Mob – 0439 399318

Bauxite Resources – Background

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

The Company is looking to establish itself in the Bauxite and alumina industries in Western Australia, and is the only ASX-listed junior explorer in the highly prospective Darling Range, which produces approximately 17% of the world's alumina and is home to Alcoa's Huntly Mine, the largest producing bauxite mine in the world.

The Company has applied for 25 tenements in the three project areas of Muchea, South Darling Range and Kimberley and is primarily focused on defining a sustainable, economic bauxite resource through an intensive exploration program to be undertaken in 2008. It will then look to develop a bauxite export industry by direct shipping and to further assess potential resources with a view to the development of an alumina refinery.

For further information please go to www.bauxiteresources.com.au.

- ENDS -