BAUXITE
RESOURCES
LIMITED

ANNUAL REPORT 2015

CORPORATE INFORMATION

DIRECTORS

Robert Nash	Non Executive Chairman
Peter Canterbury	Chief Executive Officer & Executive Director
Luke Atkins	Non Executive Director
Cunliang Lai	Non Executive Director
Neil Lithgow	Non Executive Director
Zhaozhong Wang	Non Executive Director

COMPANY SECRETARY
Sam Middlemas

CHIEF FINANCIAL OFFICER
Patrick Soh

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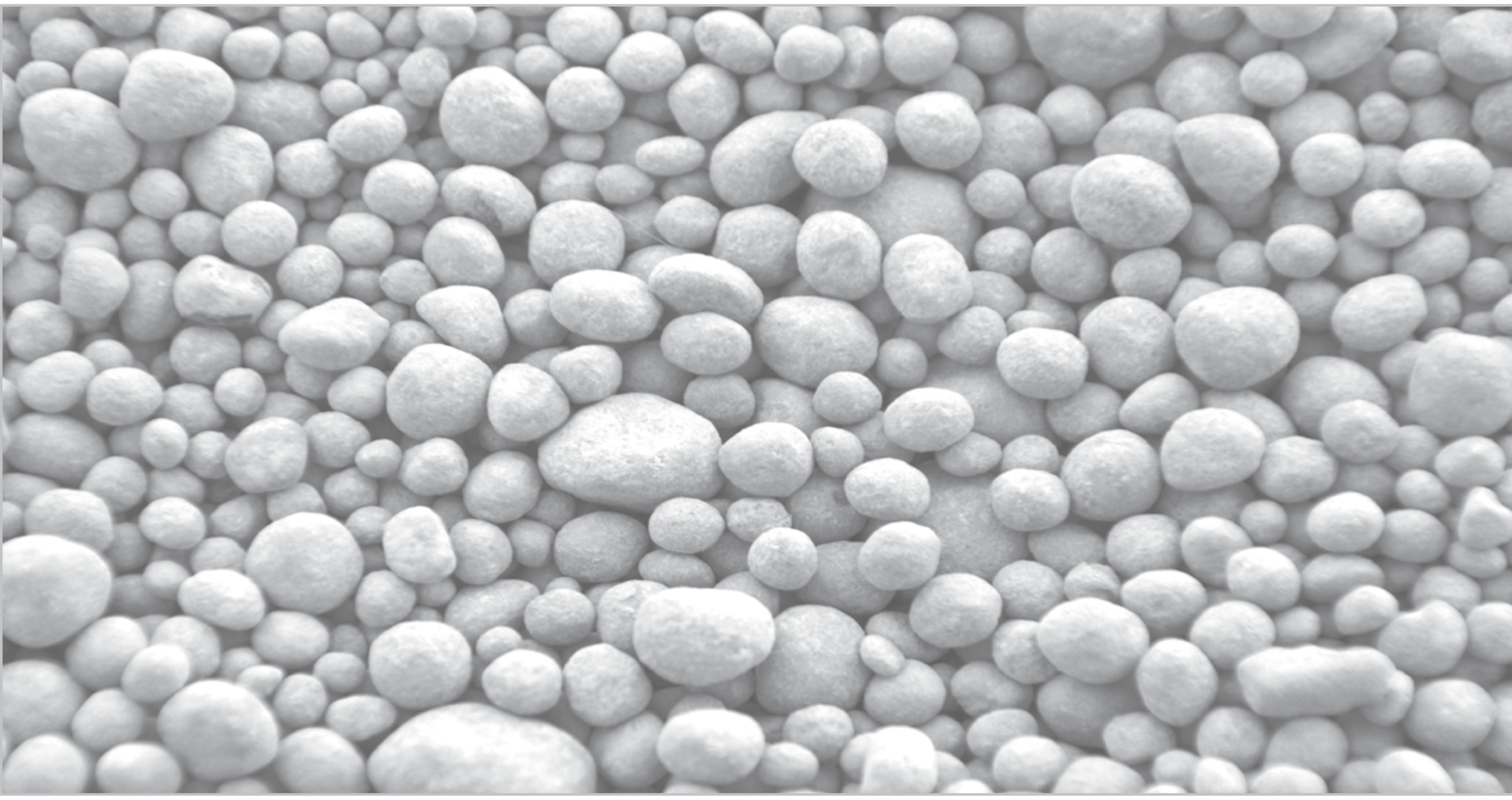
STOCK EXCHANGE LISTING
ASX Code: BAU (Ordinary Shares)

ABN
72 119 699 982

CONTENTS



REVIEW OF OPERATIONS

CORPORATE FOCUS

During the year the Company focused on trying to resolve the current impasse on the development of the Felicitas deposit with its joint venture partner Yankuang Resources Pty Ltd ("Yankuang"). At the same time the Company took a staged approach to the evaluation of the 100% Bauxite Resources Ltd ("BRL") Fortuna project. This approach included the undertaking of scoping and environmental baseline studies on the Fortuna project and evaluation of the development constraints on the logistics of exporting bauxite from the project.

Achievements during the year include:

- Moderate resource growth of 4%;
- Completion of Scoping and Environmental Baseline studies on the Fortuna Deposit;
- Reduction of non-prospective tenement holdings reducing total tenure from 8,301km^2 to 5,841km^2 thus reducing the expenditure commitments of the Company; and
- Successful cash conservation strategy achieved a cash balance at end of year of $22.9 Million

Despite the Company's efforts to encourage Yankuang to approve the commencement of the Refinery Bankable Feasibility Study (BFS) for the Felicitas project, the Bauxite Alumina Joint Venture ("BAJV") has not commenced this next stage in development and as a result the Company issued dispute notices to Yankuang. At this time the parties are in a mediation process as required by the joint venture agreements. No resolution has been achieved at the time of this report however the parties are still in negotiations on a potential resolution of this dispute.



EXPLORATION AND DEVELOPMENT

During the 12 months to 30 June 2015 the Company and its joint venture partners carried out pre-development investigations on two of the groups four key projects, and completed a resource upgrade on a third. Exploration drilling programs in strategic target areas continued, to ensure a pipeline of quality bauxite projects is maintained.

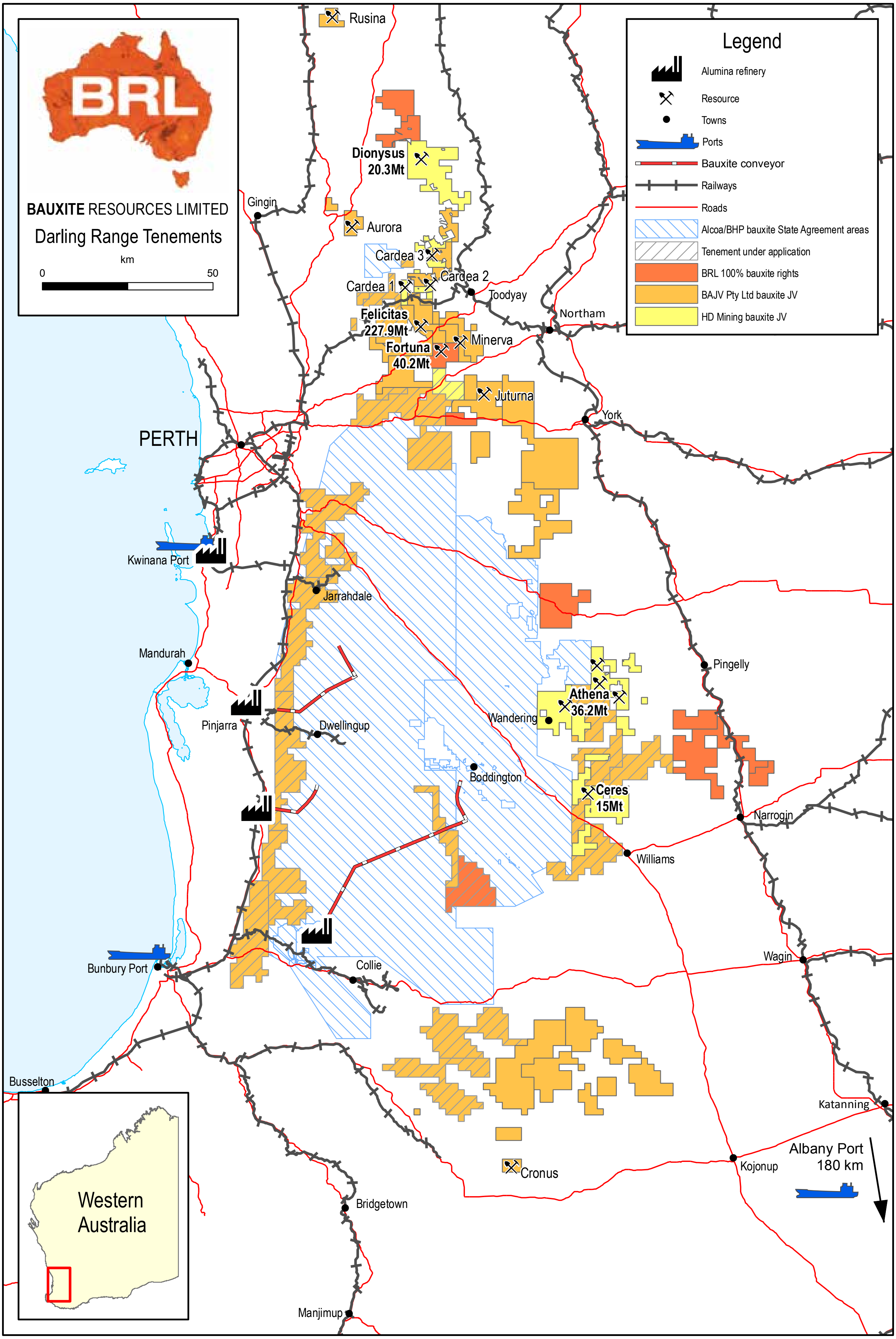
BRL and its joint venture partner’s total bauxite resources stand at 396.5Mt as at June 30, 2015 (refer to Mineral Resources Table 1 for resources details). BRL considers the current resources provide sufficient scale and diversity to enable investigation into a range of developmental opportunities for domestic and export exploitation.

Key resources, located in the eastern and northern Darling Range, display low reactive silica and high available alumina to reactive silica ratios, making them attractive for refining. The majority of alumina present is the tri-hydrate mineral gibbsite, which enables cost effective, low temperature extraction.

BRL resources are predominantly located on large private land holdings (typically cleared farmland), in proximity to road and rail infrastructure. Bauxite is shallow, typically with less than 2m of loose overburden, requiring limited pre-stripping, attributes that indicate potential to support long life, low cost bauxite operations.

The Company has completed a Scoping Study on the Fortuna resource to provide a preliminary assessment of the viability of the Fortuna bauxite project, and to assess infrastructure and transport solutions. The Company has collected critical environmental information to support future project referral documentation, having completed first phase, level 2 baseline flora, vegetation and fauna studies, and has commenced engagement with environmental regulators. A range of ore characterisation and mineralogical studies have been undertaken, and representative samples provided to a number of parties for testing in China for suitability for specific refineries.

Figure 1: BRL tenement holding and resource locations.
The Company retains rights to a large holding of highly prospective tenements in a world class bauxite province.



FORTUNA (BRL 100%)

BRL has continued to investigate development options for the Fortuna resource for which the Company has sole rights. It is currently believed that the resource is at a scale and quality that could ideally offer synergy benefits to the adjacent Felicitas deposit.

BRL has completed a Scoping Study for mine and rail logistics (ASX announcements 21/01/15 and 02/02/15). The study was completed by AMC Consultants (AMC), who provided mining, engineering, logistics and economic assessment for the Fortuna deposit which currently has a JORC Mineral resource of 40.2 million tonnes (see Table 1 for resource details). Further to the Scoping Study, discussions have commenced on the availability of possible trans-loading from the Kwinana Bulk Terminal. A small number of water level monitoring holes have been established at the project area, and composite samples based on the current resource has been prepared and supplied to Chinese refineries for testing. The Company has continued to collect environmental information to support the preparation of project referral documents, with the completion of level 2 flora, vegetation and fauna baseline studies during the year, building on from level 1 studies in the previous period. Preliminary discussions have commenced with environmental regulators.

The bauxite horizon is shallow, typically covered by 0.5m - 2m of loose overburden, and displays low reactive silica, and a high available alumina to reactive silica ratio, properties desirable for alumina refining. The lateral extent of mineralisation has not yet been tested by drilling and therefore is not considered to be closed off.

The Board considers that the most economic approach for the progress and advancement of Fortuna is by undertaking its development in a coordinated manner with BAJV's Felicitas project given the substantial overlaps in terms of community engagement, common landowner agreements, EPA referral, a utilisation of rail infrastructure, and other logistic and regulatory requirements.

JOINT VENTURE WITH YANKUANG

Felicitas is the flagship resource independently managed by BAJV, a joint venture ("JV") between Bauxite Resources Ltd and Yankuang Resources Pty Ltd a subsidiary of Yankuang Group. Yankuang holds an Interest of 70% of the resources under the JV with BRL retaining 30%.

Felicitas (JV managed by BAJV)

The Company completed a resource upgrade at Felicitas resulting in the movement of substantial resources into the Measured category, and demonstrating an increase in grade (See Table 1 and ASX announcement 23/09/14).

The Felicitas resources currently totals 227.9Mt @ 31.3% low temperature available alumina (39.7% total) and 2.0% reactive silica. Felicitas demonstrates attractive refining properties and represents the largest single bauxite resource in Australia outside that of current producers, and requires no beneficiation. A level 2 flora, vegetation and fauna baseline environmental survey has been completed, and a range of desktop and field investigations commenced into acoustic and dust modelling and the hydrology and hydrogeology of the project area.

The resource offers the advantages of being located on a small number of large private landholdings (predominantly cleared farmland), less than 5km from existing rail infrastructure. The lateral extent of mineralisation has not yet been tested by drilling and therefore is not considered to be closed off.

JOINT VENTURE WITH HD MINING

Athena and Dionysus resources, as described below, are two key projects that form part of the joint venture with HD Mining & Investments Pty Ltd (HD Mining). The current joint venture with HD Mining is a Farm-in Agreement that requires HD Mining to fund 100% of all exploration and feasibility costs to earn 60% of the bauxite rights upon a decision to mine.

Athena (HD Mining JV)

Athena consists of four deposits located on a number of private land holdings on exploration licences E70/3180 and E70/3890, between the townships of Wandering and Pingelly, approximately 120km southeast of Perth. The resource was upgraded in July 2014 following a phase of growth drilling taking the resource to 36.2Mt (see ASX announcement 15/07/14). The resource is shallow and displays bauxite up to 13m thick (average 3m). The project area is yet to be constrained by drilling and as such potential remains to further grow the resource.

Existing bauxite mining State Agreement areas lie to the west, and as such the project is in a known bauxite province. Athena is located approximately 20km north of the 15Mt Ceres resource, making a combined total in the eastern Darling Range in excess of 50Mt, indicating the region may be evolving as a major new bauxite project area for the Company.

Dionysus (HD Mining JV)

Dionysus is located on one private landholding, approximately 100km north east of Perth, and situated in proximity to existing rail infrastructure providing a link to Kwinana Port. The Company has completed some close spaced drilling which confirms continuity of grade and bauxite thickness and commenced the collection of baseline environmental data, with the establishment of a small number of water level monitoring bores.

Non-bauxite commodities (BRL 100%)

BRL retains the non-bauxite mineral rights across more than 5,000km^2 of tenure throughout the Darling Range, Western Australia. The Company did not carry out exploration for other commodities during the year, rather has elected to maintain exploration focus on realising value from its bauxite assets, whilst seeking a partner with which to advance the other commodity exploration.

MINERAL RESOURCES AND ORE RESERVES

The Company has completed an update to its Mineral Resources and Ore Reserves Statement for the twelve months ending June 30, 2015. The Company's total Mineral Resources are estimated at 396.5Mt at an average available alumina grade of 31.4%. This represents an increase of 16.3Mt (4%) on total resources as reported in 2014 (380.2Mt). The Mineral Resource Statement as at 30 June, 2015 is provided in table 1. The increase is due to resource additions at the Athena (13.5Mt) and Felicitas (9.2Mt) resources. The Company ceased reporting of the small northern pod (6.5Mt) the Aurora resource and updated the resource inventory accordingly.

JORC Code 2012 and ASX Listing Rules Requirements

This annual statement has been prepared in accordance with the 2012 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code 2012).

Information prepared and first disclosed under the JORC 2004 Edition, and not related to a material mining project, and which has not materially changed since last reported has not been updated.

There have been no material changes to material projects for the purposes of ASX Listing Rules 5.8 and 5.9 and as such Material Information Summaries or JORC Code 2012 Assessment and Reporting Criteria are not provided with this statement.

The Company advises that this material contains summaries of Exploration Results and Mineral Resources as defined in the JORC Code 2012. JORC compliant Public Reports released to the ASX declaring the exploration results or JORC resources referred to can be viewed on both the ASX and the Company websites, free of charge.

Governance

The annual audit of resources and reserves is carried out internally by the Company. BRL ensures that the Mineral Resources and Ore Reserves reviews are subject to appropriate internal controls, and in line with the Company's Mineral Resources and Ore Reserves Policy. The estimation procedures are well established and prepared by competent and qualified professionals. All resources are based on well-founded assumptions, and compliant with Joint Ore Reserves Committee (JORC) guidelines.

Competent Persons Statement

The information in this report that relates to exploration results, and to the Mineral Resources Statement as a whole, was compiled by Mark Menzies. Mr Menzies is a qualified geologist and a full time employee of Bauxite Resources Limited (BRL). He is a shareholder in BRL and is entitled to participate in BRL's employee performance plan, details of which are included in BRL's 2015 Remuneration Report. Mr Menzies is a member of the Australian Institute of Geoscientists, and 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 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 report of material in the form and context in which it appears.

The information in this report that relates to specific Mineral Resources is based on and accurately reflects reports prepared or reviewed by the Competent Persons named in Table 1. Mr Senini was an employee of the Company at the time of resource estimation and remains competent person. Mr Baudry is a full time employee of RungePincockMinarco (RPM). All the Competent Person's named are members of the Australian Institute of Geoscientists, and have 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'. Each Competent Person consents to the inclusion of material in the form and context in which it appears.

Forward Looking Statements

This report may include forward looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "continue", or other similar words and may include, without limitation, statements regarding plans, strategies, and objectives of management. Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the company's actual results, performance and achievements to differ materially from anticipated results, performance or achievements. Forward looking statements are based on the Company and its management's good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the company's business and operations in the future. The Company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the Company's business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the Company or management or beyond the Company's control. Accordingly, readers are cautioned not to place undue reliance on forward looking statements.

Table 1: BRL and partners Mineral Resources as at 30 June, 2015.

		Resources as at June 30 2015							Resources as at June 30 2014				
Deposit	Resource Category	Size Mt	Al_2O_3 (total) %	Al_2O_3 (available) %	SiO_2 (total) %	SiO_2 (reactive) %	JORC details	Competent Person	Size Mt	Al_2O_3 (total) %	Al_2O_3 (available) %	SiO_2 (total) %	SiO_2 (reactive) %
Fortuna	Indicated	6.3	40.2	34.0	5.7	1.9	2012	1	6.3	40	34	5.7	1.9
	Inferred	33.9	38.5	31.8	5.6	1.7			33.9	38.5	31.8	5.6	1.7
BRL 100% sub-total		**40.2**	**38.8**	**32.1**	**5.6**	**1.8**			**40.2**	**38.8**	**32.1**	**5.6**	**1.8**
Felicitas	Measured	122.7	39.9	31.6	7.7	1.7			53.2	39.1	30.7	5.8	1.4
	Indicated	77.1	39.6	31.0	9.8	2.2	2012	1	104.0	39.3	30.1	8.9	1.9
	Inferred	28.2	38.9	30.6	10.5	2.3			61.5	38.9	29.6	11.5	2.4
Cardea 3 BAJV	Indicated	4.7	42.5	31.1	11.6	3.2	2012	1	4.7	42.5	31.1	11.6	3.2
	Inferred	9.5	41.0	30.1	12.6	3.5			9.5	41.0	30.1	12.6	3.5
Minerva	Inferred	2.2	38.7	28.9	20.3	3.9	2004	2	2.2	38.7	28.9	20.3	3.9
Aurora	Indicated	7.6	44.6	33.1	12.1	3.7	2012	1	12.0	43.5	33.0	9.1	3.1
	Inferred	1.8	41.8	30.6	15.9	4.6			3.9	41.3	30.2	14.4	4.0
Rusina	Inferred	3.7	40.3	29.1	15.7	5.3	2004	2	3.7	40.3	29.1	15.7	5.3
Juturna	Inferred	8.2	40.2	29.9	23.1	3.9	2004	2	8.2	40.2	29.9	23.1	3.9
Cronus	Inferred	2.8	39.3	28.3	13.3	2.8	2004	1	2.8	39.3	28.3	13.3	2.8
BAJV sub-total		**268.5**	**39.9**	**31.2**	**9.8**	**2.2**			**265.7**	**39.5**	**30.2**	**9.8**	**2.2**
Athena	Inferred	36.2	41.8	32.8	18.1	2.8	2012	1	22.7	42.3	33.3	17.3	2.7
Dionysus	Inferred	20.3	42.1	32.6	12.0	3.4	2012	1	20.3	42.1	32.6	12.0	3.4
Cardea 1&2	Inferred	6.4	41.8	29.3	15.7	4.3	2004	2	6.4	41.8	29.3	15.7	4.3
Cardea 3 HDM	Indicated	1.5	42.8	30.0	16.8	4.0	2012	1	1.5	42.8	30.0	16.8	4.0
	Inferred	8.4	40.3	28.9	17.0	4.4			8.4	40.3	28.9	17.0	4.4
Ceres	Inferred	15.0	40.9	31.7	19.5	3.0	2004	1	15.0	40.9	31.7	19.5	3.0
HDM sub-total		**87.8**	**41.6**	**31.9**	**16.6**	**3.3**			**74.3**	**41.7**	**31.9**	**16.1**	**3.3**
Total	**Measured**	**122.7**	**39.9**	**31.6**	**7.7**	**1.7**			**53.2**	**39.1**	**30.7**	**5.8**	**1.4**
	Indicated	**97.2**	**40.2**	**31.3**	**9.9**	**2.4**			**128.5**	**38.2**	**30.9**	**10.3**	**2.3**
	Inferred	**176.6**	**40.4**	**31.3**	**13.6**	**2.9**			**198.5**	**40.1**	**30.8**	**13.0**	**2.8**
Total Bauxite Resources		**396.5**	**40.2**	**31.4**	**10.9**	**2.4**			**380.2**	**39.9**	**30.7**	**10.6**	**2.4**

The Competent Persons are as follows: 1. Philippe Baudry 2. Peter Senini

Totals may differ due to rounding.

Resources based on low temperature (148°C) caustic digest and ICP analysis. This method simulates the low temperature Bayer process.

High temperature digestion may result in higher available alumina however the exact extent of this increase is not known at this time.

BRL - BRL retain 100% beneficial interest in bauxite. BAJV - Bauxite Alumina Joint Venture area with Yankuang Resources Ltd where the BRL retains 30% beneficial interest in the bauxite rights. HDM – Resources within joint venture with HD Mining & Investments Pty Ltd, the wholly owned subsidiary of Shandong Bureau No.1 Institute for Prospecting of Geology & Minerals. At the time of writing the Company retains 100% beneficial interest. HD Mining can earn up to 60 % of bauxite rights upon completion of certain milestones including completion of a BFS leading to a decision to mine.

BAUXITE RESOURCES LIMITED

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2015

DIRECTORS' REPORT

Your directors submit their report on the consolidated entity (referred to hereafter as the Group) consisting of Bauxite Resources Limited and the entities it controlled at the end of, or during, the year ended 30 June 2015.

DIRECTORS

The names and details of the Company's directors in office during the financial year and until the date of this report are as follows. Where applicable, all current and former directorships held in listed public companies over the last three years have been detailed below. Directors were in office for this entire period unless otherwise stated.

NAMES, QUALIFICATIONS, EXPERIENCE AND SPECIAL RESPONSIBILITIES

Robert Nash, B Juris LLB, Public Notary (Non-Executive Chairman)

Mr Nash is a lawyer by profession and currently practises as a barrister. He is presently the Head of WA Navy Reserve Legal Panel. He was a council member of the Law Society of Western Australia for 7 years, a Convenor of the Law Society Education Committee and a member of the Ethics and Professional Conduct Committees.

Mr Nash joined the board before the Company listed in 2008 and, following the retirement of Mr Barry Carbon in August 2013, took over the role of Chairman. He is also presently the Chairman of Bauxite Alumina Joint Ventures Pty Ltd.

Mr Nash has not held any other listed company directorships in the last 3 years.

Peter Canterbury, BBus (Acc) CPA (Chief Executive Officer and Executive Director)

Mr Canterbury is a senior mining executive with expertise and extensive knowledge of the bulk commodity industry, particularly in bauxite and alumina.

Prior to joining Bauxite Resources Mr Canterbury held the role of Chief Financial Officer (CFO) at Sundance Resources Ltd, a position he held for six years. At Sundance he played a critical role in negotiating the Mining Convention in Cameroon and also acted as CEO, helping to rebuild the company following the tragic crash in June 2010.

Between 2001 and 2007, Mr Canterbury was the CFO of Dadco Europe which owns the Stade Alumina refinery in Germany and a share in the CBG bauxite mine in Guinea. During his time there he was responsible for finance, commerce and logistics. Earlier in his career he held several senior positions with Alcoa World Alumina in the finance, marketing and projects area in Australia and overseas.

Mr Canterbury has not held any other listed company directorships in the last 3 years.

Luke Atkins, LLB (Non-Executive Director)

Mr Atkins previously practised as a lawyer and was the principal of Atkins and Co Lawyers, a Perth based legal firm which he owned and managed for seven years. Mr Atkins brings to the Company extensive experience in capital raising and public listed companies.

Mr Atkins is currently Chairman of ASX listed Altech Chemicals Limited (formerly Australian Minerals & Mining Group Ltd) (8 May 2007 to current) and has interests in a number of enterprises including agriculture, property development and hospitality. Mr Atkins was a former director of Reclaim Industries Limited.

Cunliang Lai, (Non-Executive Director)

Mr Lai is the representative from the Company's substantial shareholder, Yankuang Group Corporation ("Yankuang Group"). Mr Lai is a senior engineer, a researcher in engineering technology application with a Doctorate in Engineering and an Executive Masters in Business Administration. He has been named as one of China National's Top-Ten Coal Mine Managers, China National Coal Industry's Top-100 Achievers and a Shandong Provincial Youth-and-Middle-Aged Specialist for Outstanding Contributions.

Mr Lai has more than 20 years of experience in coal mine management and holds the position of Deputy General Manager of Yanzhou Coal Mining Company Limited and is a Director of the Australian ASX Listed Yancoal Australia Ltd (26 June 2012 to current). He is a graduate of Nankai University and Coal Science Research Institute.

Neil Lithgow, MSc, FFin, MAusIMM (Non-Executive Director)

Mr Lithgow is a geologist by profession with over 20 years experience in mineral exploration, economics and mining feasibility studies covering base metals, coal, iron ore and gold.

Mr Lithgow is a non-executive director of Aspire Mining Limited (12 February 2010 to current) and he is a member of the Australian Institute of Mining and Metallurgy and the Financial Services Institute of Australia.

Mr Lithgow has not held any other listed company directorships in the last 3 years.

Zhaozhong Wang, (Non-Executive Director)

Mr Wang is the representative from the Company's substantial shareholder, HD Mining & Investments Pty Ltd ("HD Mining"). Mr Wang was recently appointed the managing director of HD Mining which is a subsidiary of Shandong No1 Geo-mineral Exploration Institute at the Shandong Bureau of Geology in China and is based in Perth, Western Australia.

He is a qualified senior geologist who graduated from the Geological Science Institute of Shandong Jianzhu University in June 1991. He has been involved in geological exploration and survey and was previously in charge of the following Chinese projects: Pingdu Hill Gold, Dawenkou Mazhuang county Gypsum Project, Shandong Longkou Liangjia Coal Project and Laizhou Sanshan Island Gold Project.

He has accumulated geological experience in the Chinese mining industry including gold, copper, coal, iron, gypsum and bauxite.

Mr Wang has not held any other listed company directorships in the last 3 years.

John Sibly, (Non-Executive Director – Resigned 7 October 2014)

COMPANY SECRETARY

Sam Middlemas, B.Com.,PGrad DipBus., CA

Mr Robert Samuel (Sam) Middlemas was appointed Company Secretary on 6 July 2012. Mr Middlemas is a chartered accountant with more than 15 years experience in various financial and company secretarial roles with a number of listed public companies operating in the resources sector. He is the principal of a corporate advisory company which provides financial, board and secretarial services specialising in capital raisings and initial public offerings. Previously Mr Middlemas worked for an international accountancy firm. His fields of expertise include corporate secretarial practice, financial and management reporting in the mining industry, treasury and cash flow management and corporate governance.

Interests in the shares and options of the Company and related bodies corporate

As at the date of this report, the interests of the directors and their related bodies corporate in the shares, options and performance rights of Bauxite Resources Limited were:

	Ordinary Shares	Options over Ordinary Shares	Performance Rights over Ordinary Shares
Robert Nash	274,900	-	-
Peter Canterbury	100,000	-	4,000,000
Luke Atkins	17,517,753	-	-
Neil Lithgow	19,366,666	-	-
Cunliang Lai*	19,700,000	-	-
Zhaozhong Wang*	19,700,000	-	-

*Mr Lai and Mr Wang are the corporate representatives of Yankuamg Resources Pty ltd and HD Mining and Investments Pty Ltd, who are the holders of shares in the Company

OPERATING AND FINANCIAL REVIEW

OPERATING REVIEW

The Company is solely focused on the exploration and evaluation of bauxite prospectivity in the Company’s large tenement holding in WA’s Darling Range, the largest bauxite and alumina producing region in the world. As at 30 June 2015 the Group exploration tenements covered 5,841 km2 (3,132 km2 granted). The significant reduction in tenement holdings (5,841km2 in 2015 versus 8,301km2 in 2014) is consistent with the Company’s strategy of tenement rationalisation and this has achieved a significant drop in the minimum expenditure requirements of the Company whilst expanding the resource base through low cost targeted exploration.

The Company undertakes this exploration and evaluation both in its own right and through participation in three joint ventures. Two of these joint ventures are carrying out exploration for bauxite, while the third joint venture was formed to examine the feasibility of building and operating an alumina refinery in Western Australia through which to process bauxite sourced from the Darling Range region. Note 17 of this financial report provides more detail of these joint venture arrangements.

The Company’s total JORC compliant bauxite resources at 30 June 2015 stood at 396.5 million tonnes (see table 1 for resource details). Of this total resource, 40.2 million tonnes are held by the Company in its own right, 268.5 million tonnes are held in the Bauxite Resources Joint Venture (“BRJV”), and 87.8 million tonnes are held in the BRL-HD Mining joint venture (“HDMI”).

There was no significant change in the nature of the Group’s activities during the year.

FINANCIAL REVIEW

The Group has recorded an operating loss after income tax for the year ended 30 June 2015 of $10,622,199 (2014: $4,554,592 loss) which includes litigation settlement for $5,250,000 and impairment of property, plant and equipment $1,015,105.

Included in the operating loss was expenditure on exploration totalling $2,314,981 compared to $3,515,847 in the year ended 30 June 2014. The group does not capitalise exploration expenditure, but writes off the full amount of expenditure incurred each year.

Employment Benefits expense declined from $1,261,252 in 2014 to $1,108,549 in the 2015 year. This is a reflection of reduced staff numbers, as the Company moved to ensure costs were properly contained in line with activity levels during the year.

The Group earned $961,187 in interest revenue in the year compared to $1,695,348 in 2014, a 43% decline that is largely reflective of the company’s lower cash balance and the general decline in interest rates over the course of the past two financial years. The average rate earned on investments during the year was 2.9%, compared to an average rate of 3.9% in 2014. The Group’s cash balances also diminished by $17,937,067 over the course of the year.

The Group ended the financial year with cash reserves of $22,998,193 (2014: $40,935,260).

The Cash Flow Statement on page 31 of this Annual Financial Report sets out details of the use of these cash funds. However the significant transactions included a return of capital $9,283,652 that was approved at an Extraordinary General Meeting on the 29 August 2014 and completed on the 11 September 2014 and settlement of the proposed shareholder class action $5,250,000 as announced on the 24 October 2014.

Other than this utilisation of cash for these two events during the year, the Group’s other operating cash flows were able to deliver cost reductions though out the year.

DIVIDENDS

No dividends were paid or declared during the financial year. No recommendation for payment of dividends has been made.

SHAREHOLDER RETURNS

	2015	2014
Basic earnings per share	(4.6)	(2.0)
Diluted earnings per share	(4.5)	(1.9)

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Company continues to explore for additional bauxite resources within its existing tenements in its own right for both export and refinery grade bauxite.

The Company is working with Yankuang Resources Pty Ltd ("Yankuang"), under its Bauxite Resources and Alumina Refinery joint ventures, for development of bauxite mining and alumina refining capacity in Western Australia. Whilst limited studies have been undertaken under the refinery joint venture no feasibility study has yet commenced. As announced on 19 May 2015 the Company issued a dispute notice to Yankuang pursuant to the terms of the Joint Venture Resource Agreement ("JVRA") and the Alumina Refinery Joint Venture Agreement ("ARJVA") pursuant to which the parties' CEOs were required to meet in good faith and endeavour to resolve the dispute by negotiation. Between 9 June and 18 June 2015, Yankuang and Bauxite Resources representatives endeavoured to resolve the dispute by negotiation, however no resolution was achieved. On 19 June 2015 the Company issued a further Dispute Notice and the parties are presently pursuing mediation on the dispute with Mr Neville Owen, former Supreme Court Judge, acting as mediator. At the time of this report the parties have made progress in the negotiations to resolve issues between them, but as yet no resolution of the matter has been agreed.

In respect of its own tenements, the Company completed a scoping study to investigate ways of monetising the value of this asset, taking into account the global outlook for alumina production, over the coming financial periods. These studies include, among other things, thorough investigations into geological, mining and logistical aspects of the project. The results of this scoping study were released in February 2015 and whilst they demonstrated the potential feasibility of the mining of bauxite there were a number of further studies identified to examine the logistics of export bauxite through the Kwinana Bulk terminal.

In the coming 12 months, particular focus is being placed on determining the options for development of the Kwinana Bulk Terminal for trans-shipment of bauxite and to monitor the privatisation process for the Fremantle Port (including the Kwinana Bulk Terminal) which was announced in the May 2015 State Budget.

The Group's future plans are not without risk. Aside from the accepted and normal risks associated with any minerals exploration venture, such as accurate and reliable resource identification and measurement, these include (but are not limited to):

- Commodity price risk – there is risk that the price of bauxite does not achieve or maintain levels that will support sustainable mining or alumina refining operations. This may be the result of changes in global demand for aluminium, or changes in the global supply chain for bauxite and alumina. The directors have considered this risk in light of predictions and commentaries from various independent analysts and observers, and consider this risk to be low in the medium to long term.
- Environmental risk – the Group's ability to develop mining operations or expand bauxite refining capacity are dependent on obtaining the required environmental licences and ensuring minimal impact on the environment from any operations. The directors have considered this risk, and consider this risk can be managed adequately by understanding the relevant environmental guidelines and ensuring any proposed mining or refining operations demonstrate they are able to comply with such guidelines.
- Land access risk – the Group's ability to develop mining operations or expand bauxite refining capacity may be subject to obtaining access by landholders. The directors have considered this risk, and consider the risk is minimised through consultation with landowners around either the entering into of Mining Access Agreements or of the purchase of the required land.
- Regulatory approval risk - the Group's ability to develop mining operations or bauxite refining capacity may be subject to obtaining approvals from various regulatory or government authorities to undertake mining or refining activities. This may include, for example, the ability to obtain mining licenses for its tenements, or permits to export bauxite. The directors have considered this risk, and consider that the risk can be mitigated largely by working closely with the relevant regulatory authorities through any study phases.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Group during the financial year.

RISK MANAGEMENT

The Board is responsible for ensuring that risks, and also opportunities, are identified on a timely basis and that activities are aligned with the risks and opportunities identified by the Board.

The Company believes that it is crucial for all Board members to be a part of this process, and as such the Board has not established a separate risk management committee.

The Board has a number of mechanisms in place to ensure that management's objectives and activities are aligned with the risks identified by the Board. These include the following:

- Board approval of a strategic plan, which encompasses strategy statements designed to meet stakeholders' needs and manage business risk.
- Implementation of Board approved operating plans and budgets and Board monitoring of progress against these budgets.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

Other than the dispute mediation process with Yankuang as detailed above and at note 24 of this financial report, there has not been any matters or circumstance that have arisen since 30 June 2015 which significantly affected or could significantly affect the operations of the consolidated group in future financial years.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Group is subject to environmental regulation in respect to its exploration activities. The Group aims to ensure the appropriate standard of environmental care is achieved, and in doing so, that it is aware of and is in compliance with all environmental legislation. The directors of the Group are not aware of any breach of environmental legislation for the year under review.

REMUNERATION REPORT

The remuneration report is set out under the following main headings:

A Principles used to determine the nature and amount of remuneration

B Details of remuneration

C Service agreements

D Share-based compensation

E Equity instrument disclosures relating to key management personnel

F Performance based remuneration

G Loans to key management personnel

H Other transactions with key management personnel

I Additional information

The information provided in this remuneration report has been audited as required by section 308(3C) of the Corporations Act 2001.

A Principles used to determine the nature and amount of remuneration

Remuneration Policy

The remuneration policy of the Company has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the Company's financial results. The Board believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives and directors to run and manage the Company.

The Board's policy for determining the nature and amount of remuneration for Board members and senior executives of the Company is as follows:

The remuneration policy, setting the terms and conditions for the executive directors and other senior executives, was developed by the Board. All executives receive a base salary, which is based on factors such as responsibilities and experience. The executives of the Company outside the directors are also eligible to participate in the Company's Performance Rights Plan as approved by Shareholders in November 2013. The Board reviews executive packages annually by reference to the Company's performance, executive performance and comparable information from industry sectors and other listed companies in similar industries.

The Board may exercise discretion in relation to approving incentives, bonuses and options. The policy is designed to attract and retain the highest calibre of executives and reward them for performance that results in long-term growth in shareholder wealth. No bonuses or incentives were paid during the year however staff we awarded shares under the shareholder approved Performance Rights Plan.

The Australian based executive directors and executives receive a superannuation guarantee contribution required by the government, which was 9.5% in 2014/2015, and do not receive any other retirement benefits.

All remuneration paid to directors and executives is valued at the cost to the Company and expensed. Options or rights are valued using the Black Scholes or binomial option pricing methodology.

The Board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The Board determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting (currently $600,000). Fees for non-executive directors were $40,000 per annum with additional fees payable for membership of other board related committees. The fees are not linked to the performance of the Group, however, to align directors' interests with shareholder interests, the directors are encouraged to hold shares in the Company. Alternate directors have not received remuneration by way of fees or share based payments from the Company for the year ended 30 June 2015.

Company performance, shareholder wealth and directors' and executives' remuneration

A number of performance rights have been granted to key management personnel and are linked to the company performance through market based performance conditions. Details on the proportion of remuneration is detailed in Part F of the remuneration report.

The following table shows the gross revenue, losses and earnings per share for the current and prior year.

	2015	2014
	$	$
Revenue	1,592,088	2,902,419
Net profit/loss	(10,622,198)	(4,554,592)
Earnings per share (cents)	(4.6)	(2.0)

B Details of remuneration

Details of the remuneration of the directors, the key management personnel of the Group (as defined in AASB 124 Related Party Disclosures) and specified executives of Bauxite Resources Limited and the Bauxite Resources Group are set out in the following table.

The key management personnel of Bauxite Resources Limited and the Group include the directors and company secretary as per pages 13 and 14 above.

The Chief Executive Officer has full authority and responsibility for planning, directing and controlling the activities of the Group. The Exploration Manager has authority and responsibility for planning, directing and controlling the exploration activities of the Group. The Chief Financial Officer has responsibility for planning directing and controlling the financial affairs of the Group, as directed by the Board. Given the size and nature of operations of Bauxite Resources Limited and the Group, there are no other employees who are required to have their remuneration disclosed in accordance with the Corporations Act 2001.

Key management personnel and other executives of Bauxite Resources Limited and the Group.

	Salaries & Fees	Short-Term Subsidiary Board and committee fees	Consultancy Fees	Post-Employment benefits	Share-based Payments		Total
				Supperannuation	Performance Rights	Termination benefits	
	$	$	$	$	$	$	$
2015							
Non-Executive Directors							
Robert Nash	100,000	-	110,000	9,500	-	-	219,500
Luke Atkins	40,000	40,000		7,400	-	-	87,400
Cunliang Lai	40,000	-		-	-	-	40,000
Neil Lithgow	40,000	-		3,800	-	-	43,800
Zhaozhong Wang	40,000	-		-	-	-	40,000
John Sibly[1]	14,103	14,103		2,679	-	-	30,885
Executive Directors							
Peter Canterbury	450,000	-	-	42,750	113,229	-	605,979
Key Management Personnel							
Sam Middlemas	-	-	65,715	-	-	-	65,715
Mark Menzies	238,532	-	-	22,661	2,885	-	264,078
Patrick Soh	-	-	94,375	-	-	-	94,375
Total Remuneration	962,635	54,103	270,090	88,790	116,114	-	1,491,732
2014							
Non-Executive Directors							
Robert Nash	70,000	-	155,000	6,475	-	-	231,475
Luke Atkins	40,000	40,000	-	7,400	-	-	87,400
Cunliang Lai	12,564	-	-	-	-	-	12,564
Neil Lithgow	40,000	-	-	3,700	-	-	43,000
Zhaozhong Wang	10,000	-	-	-	-	-	10,000
Barry Carbon[2]	36,265	-	-	2,818	-	18,333	57,416
Chenghai Yang[3]	22,256	-	-	-	-	-	22,256
Feng Ding[4]	7,744	-	-	-	-	-	7,744
John Sibly[1]	40,000	40,000	-	7,400	-	-	87,400
Jitai Yan[5]	6,667	-	-	-	-	-	6,667
Qingwei Zhan[6]	20,769	-	-	-	-	-	20,769
Executive Directors							
Peter Canterbury	450,000	-	-	41,625	74,998	-	566,623
Key Management Personnel							
Sam Middlemas	-	-	66,600	-	-	-	66,600
Mark Menzies	238,532	-	-	22,064	11,082	-	271,678
Patrick Soh	-	-	32,813	-	-	-	32,813
Kelvin May[7]	-	-	138,000	-	-	-	138,000
Total Remuneration	994,797	80,000	392.413	91,482	86,080	18,333	1,663,105

Notes:

(1) Mr Sibly resigned on 7 October 2014.
(2) Mr Carbon was Chairman of the Company until his retirement on 9 August 2013.
(3) Mr Yang was appointed to replace Mr Ding on 11 September 2013 and resigned on 31 March 2014.
(4) Mr Ding resigned on 11 September 2013.
(5) Mr Yan resigned on 2 September 2013.
(6) Mr Zhan was appointed to replace Mr Yan on 2 September 2013 and resigned on 7 March 2014.
(7) Mr May was appointed as Chief Financial Officer on 26 June 2012 and provided services through a private consultancy until 28 February 2014.

C Service agreements

The details of service agreements of the key management personnel of Bauxite Resources Limited and the Group are as follows:

Peter Canterbury

- Term of agreement – Ongoing, subject to termination and notice periods.
- Base Salary, $450,000 plus superannuation.
- Approved by shareholders on 14 November 2013, he is entitled to the following performance rights.
- 2,000,000 class B performance rights subject to meeting specific performance criteria achieved.
- 2,000,000 class C performance rights subject to meeting specific performance criteria achieved.
- Termination of employment by either party requires a 6 month's written notice.

Robert Nash – Legal retainer agreement.

- Term of agreement – Commenced 1 August 2012, subject to a 3 month written notice period.
- Monthly retainer fee of $10,000 for providing legal counsel and advice to the Company as and when requested.

Mark Menzies

- Term of agreement – Employment contract commenced 4 June 2012.
- Base Salary, $238,532 plus superannuation.
- Termination of employment by either party requires a 1 month written notice.

Contracted key management personnel are engaged on standard commercial terms.

D Share-based compensation

Options or performance rights may be issued to directors and executives as part of their remuneration. The options are not issued based on performance criteria, but are issued to certain directors (determined by the Board) and executives of Bauxite Resources Limited to increase goal congruence between executives, directors and shareholders. Performance rights are issued with specific performance criteria required to be achieved. The Company does not have a formal policy in relation to the key management personnel limiting their exposure to risk in relation to the securities, but the Board actively discourages key personnel management from obtaining mortgages in securities held in the Company.

The performance rights granted to Peter Canterbury on the 14 November 2013 were amended and approved at the Annual General Meeting ("AGM") on the 7 November 2014. The market capitalisation hurdles were amended to reflect changes in the Company's capital structure following the capital return of $9,283,652 to shareholders on the 11 September 2014. There was no increase to the fair value of performance rights based on this modification.

The following options and performance rights were granted to or vested with key management personnel during the past 2 years (Please see section E(iii) regarding vesting or expiry of rights):

	Grant Date	Granted Number	Vested Number as at 30 June 2015	Date vesting or vested and exercisable	Expiry Date	Exercise Price (cents)	Value per option at grant date	Exercised Number
2015								
	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2014								
Peter Canterbury[1,2 &3]	14/11/2013	2,000,000	Nil	Refer 1 below	20/05/2015	N/A	4.6	Nil
	14/11/2013	2,000,000	Nil	Refer 2 below	20/05/2016	N/A	4.3	Nil
	14/11/2013	2,000,000	Nil	Refer 3 below	20/05/2017	N/A	4.4	Nil
Mark Menzies[4]	17/12/2013	136,800	136,800	Refer 4 below	31/07/2014	N/A	8.1	136,800
	17/12/2013	115,200	Nil	Refer 4 below	31/07/2015	N/A	8.4	Nil
	17/12/2013	108,000	Nil	Refer 4 below	31/07/2016	N/A	8.4	Nil

Notes:

1. The Company's market capitalisation averaging over a period of 60 consecutive days of trading a daily average of not less than $38.97M (amended from $50M and approved at the AGM on the 7 November 2014); and completing 12 months of continuous employment with the Company to 20 May 2014. These performance rights expired on the 20 May 2015.
2. The Company's market capitalisation averaging over a period of 60 consecutive days of trading a daily average of not less than $54.56M (amended from $70M and approved at the AGM on the 7 November 2014); and completing 24 months of continuous employment with the Company to 20 May 2015.

3. The Company's market capitalisation averaging over a period of 60 consecutive days of trading a daily average of not less than $70.15M (amended from $90M and approved at the AGM on the 7 November 2014); and completing 36 months of continuous employment with the Company to 20 May 2016.
4. Rights subject to performance criteria prior to 30 June 2014 for rights expiring 31 July 2014; 30 June 2015 for rights expiring 31 July 2015 and 30 June 2016 for rights expiring 31 July 2016. During the year, the first tranche of 136,800 performance rights were converted to fully paid ordinary shares on 8 August 2014 following performances hurdles being achieved. Subsequent to year end 34,560 second tranche shares were converted to fully paid ordinary shares on 13 August 2015 following performances hurdles being achieved with the balance of 80,640 expiring.

E Equity instrument disclosures relating to key management personnel

(i) Option holdings

The numbers of options over ordinary shares in the Company held during the financial year by each director of Bauxite Resources Limited and other key management personnel of the Group, including their personally related parties, are set out below:

	Balance at the start of the year	Granted as compensation	Exercised	Other charges	Balance at the end of the year	Vested and exercisable	Unvested
2015							
Directors of Bauxite Resources Limited							
	-	-	-	-	-	-	-
2014							
Directors of Bauxite Resources Limited							
John Sibly	2,000,000	-	-	-	2,000,000	2,000,000	-

No other Directors or key management personnel hold options in the Company.

(ii) Shareholdings

The numbers of shares in the Company held during the financial year by each director of Bauxite Resources Limited and other key management personnel of the Group, including their personally related parties, are set out below.

There were no shares granted during the reporting period as compensation.

Ordinary shares	Balance at start of year	Received during the year on the exercise of options	Other charges during the year	Balance at the end of the year
2015				
Directors of Bauxite Resources Limited				
Robert Nash	254,900	-	20,000	274,900
Peter Canterbury	100,000	-	-	100,000
Luke Atkins	17,041,667	-	376,068	17,417,735
Neil Lithgow	19,366,666	-	-	19,366,666
John Sibly	40,500	-	-	40,500
Other key management personnel of the Company				
Sam Middlemas	600,000	-	-	600,000
Mark Menzies	200,000	-	136,800	336,800
2014				
Directors of Bauxite Resources Limited				
Robert Nash	254,900	-	-	254,900
Peter Canterbury	100,000	-	-	100,000
Luke Atkins	17,041,667	-	-	17,041,667
Neil Lithgow	19,366,666	-	-	19,366,666
John Sibly	40,500	-		40,500
Other key management personnel of the Company				
Sam Middlemas	600,000	-	-	600,000
Mark Menzies	200,000	-	-	200,000

No other Director or key management personnel hold options in the Company.

(iii) Performance Right holdings

The number of performance rights in the Company held during the financial year by each director of Bauxite Resources Limited and other key management personnel of the Group, including their personally related parties, are set out below:

2015	Balance as at start of the year	Granted as compensation	Other charges	Balance as at end of year	Vested and exercisable	Unvested
2015						
Directors of Bauxite Resources Limited						
Peter Canterbury	6,000,000	-	(2,000,000)	4,000,000	-	4,000,000
Other key management personnel of the Company						
Sam Middlemas	500,000	-	(500,000)	-	-	-
Mark Menzies	360,000	-	(136,800)	223,200	136,800	223,200
2014						
Directors of Bauxite Resources Limited						
Peter Canterbury	-	6,000,000	-	6,000,000	-	6,000,000
Other key management personnel of the Company						
Sam Middlemas	1,500,000	-	(1,000,000)	5000,000	-	500,000
Mark Menzies	-	360,000	-	360,000	-	360,000

No other Director or key management personnel have performance rights in the Company.

F Performance based remuneration

The relative proportions of those elements of remuneration of key management personnel that are linked to performance:

	Fixed Remuneration		Remuneration linked to performance	
	2015	2014	2015	2014
Directors of Bauxite Resources Ltd				
Rober Nash	100%	100%	-	-
Peter Canterbury	81.3%	86.8%	18.7%	13.2%
Luke Atkins	100%	100%	-	-
Cunliang Lai	100%	100%	-	-
Neil Lithgow	100%	100%	-	-
Zhaozhong Wang	100%	100%	-	-
Barry Carbon	-	100%	-	-
Chenghai Yang	-	100%	-	-
Feng Ding	-	100%	-	-
John Sibly	100%	100%	-	-
Jitai Yan	-	100%	-	-
Qingwei Zhan	-	100%	-	-
Other key management personnel of the Company				
Sam Middlemas	100%	100%	-	-
Mark Menzies	98.9%	95.6%	1.1%	4.1%
Patrick Soh	100%	100%	-	-
Kelvin May	-	100%	-	-

G Loans to key management personnel

There were no loans to key management personnel during the year.

H Other transactions with key management personnel

Robert Nash provided legal services to Bauxite Resources Limited during the year under an agreement and was paid a retainer fee of $110,000 (2014: $155,000). This amount paid was on arms length commercial terms and is included as part of the compensation.

I Additional information

DIRECTORS' MEETINGS

During the year the Company held 9 meetings of directors. The attendance of directors at meetings of the Board were:

	Directors Meetings		Committee Meetings					
			Audit Meetings		Remuneration		Nomination	
	Held	Attended	Held	Attended	Held	Attended	Held	Attended
Rober Nash	9	9	2	2	2	2	1	1
Peter Canterbury	9	9	N/A	N/A	N/A	N/A	N/A	N/A
Luke Atkins	9	8	2	2	2	2	1	1
Cunliang Lai[1]	9	1	N/A	N/A	N/A	N/A	N/A	N/A
Neil Lithgow	9	8	2	2	2	2	1	1
Zhaozhong Wang	9	4	N/A	N/A	N/A	N/A	N/A	N/A
John Sibly[2]	3	3	N/A	N/A	N/A	N/A	N/A	N/A

Notes:

(1) Mr Lai's appointed alternate director Mr Reinhold Schmidt attended 7 Board meetings.

(2) Mr Sibly resigned on 7 October 2014.

SHARES UNDER OPTION

As at 30 June 2015 there were 2,000,000 options on issue to Mr John Sibly which are exercisable at 40 cents, on or before 22 February 2016. There were no new options issued, cancelled or expired during the year.

As at 30 June 2015 there were the 4,675,800 performance rights on issue with 2,500,000 expiring and 414,200 fully converted to ordinary shares during the year.

Subsequent to year end 104,640 staff performance rights have converted into fully paid ordinary shares after meeting performance hurdles. At the date of this report 4,327,000 performance rights were still on issue.

INSURANCE OF DIRECTORS AND OFFICERS

During or since the financial year, the Company has paid premiums insuring all the directors of Bauxite Resources Limited against costs incurred in defending proceedings for conduct involving:

(a) a wilful breach of duty; or

(b) a contravention of sections 182 or 183 of the Corporations Act 2001,

as permitted by section 199B of the Corporations Act 2001. The total amount of insurance contract premiums paid is $36,566 (2014: $42,559).

NON AUDIT SERVICES

The following non audit services were provided by the entity's auditor, Moore Stephens or associated entities. The directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

All non-audit services have been reviewed by the audit committee to ensure they do not impact the impartiality and objectivity of the auditor;

None of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

Moore Stephens received or are due to receive the following amounts for the provision of non-audit services:

	2015	2014
	$	$
Taxation services	25,692	25,998

CORPORATE GOVERNANCE

In accordance with ASX Listing Rule 4.10.3 the Company has elected to publish its corporate governance statement on its website. The corporate governance statement can be found at www.bauxiteresources.com.au/corporate-governance.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 16.

Signed in accordance with a resolution of the directors.

Robert Nash

Chairman

Perth, 18 September 2015.

Table 1: BRL and Partner Bauxite Resources.

Deposit & Classification	Size	$Al_2O_{3\ (total)}$	$Al_2O_{3\ (available)}$	$SiO_{2\ (total)}$	$SiO_{2\ (reactive)}$	JORC details	Competent person
	Mt		%	%	%	%	
Fortuna							
Indicated	6.3	40.2	34.0	5.7	1.9	JORC2012	1
Referred	33.9	38.5	31.8	5.6	1.7	JORC2012	1
BRL 100% sub-total	**40.2**	**38.8**	**32.1**	**5.6**	**1.8**		
Felicitas							
Measured	122.7	39.9	31.6	7.7	1.7	JORC2012	1
Indicated	77.1	39.6	31.0	9.8	2.2	JORC2012	1
Inferred	28.2	38.9	30.6	10.5	2.3	JORC2012	1
Cardea 3 (BAJV)							
Indicated	4.7	42.5	31.1	11.6	3.2	JORC2012	1
Inferred	9.5	41.0	31.0	12.6	3.5	JORC2012	1
Minerva							
Inferred	2.2	38.7	28.9	20.3	3.9	JORC2004	2
Aurora							
Indicated	7.6	44.6	33.1	12.1	3.7	JORC2012	1
Inferred	1.8	41.8	30.1	15.9	4.6	JORC2012	1
Rusina							
Inferred	3.7	40.3	29.1	15.7	5.3	JORC2004	2
Juturma							
Inferred	8.2	40.2	29.9	23.1	3.9	JORC2004	2
Cronus							
Inferred	2.8	39.3	28.3	13.3	2.8	JORC2004	2
BAJV sub-total	**268.5**	**39.9**	**31.2**	**9.8**	**2.2**		
Athena							
Inferred	36.2	41.8	32.8	18.1	2.8	JORC2012	1
Dionysus							
Inferred	20.3	42.1	32.6	12.0	3.4	JORC2012	1
Cardea 1 & 2							
Inferred	6.4	41.8	29.3	15.7	4.3	JORC2004	2
Cardea 3 (HDM)							
Indicated	1.5	42.8	30.0	16.8	4.0	JORC2012	1
Inferred	8.4	40.3	28.9	17.0	4.4	JORC2012	1
Ceres							
Inferred	15.0	40.9	31.7	19.5	3.0	JORC2004	1
HDM sub-total	**87.8**	**41.6**	**31.9**	**16.6**	**3.3**		
Total Measured	**122.7**	**39.9**	**31.6**	**7.7**	**1.7**		
Total Indicated	**97.2**	**40.2**	**31.3**	**9.9**	**2.4**		
Total Inferred	**176.6**	**40.4**	**31.3**	**13.6**	**2.9**		

Note: The Competent Persons are as follows:

1. Graham De La Mare
2. Peter Senini

COMPETENT PERSON STATEMENT

The information in this report that relates to specific Mineral Resources is based on and accurately reflects reports prepared by the Competent Persons named in Table 1. Mr Senini was an employee of the Company at the time of resource estimation and remains competent person. Mr de la Mare was employed by RungePincockMinarco ("RPM"). All the Competent Person's named are members of the Australian Institute of Geoscientists, and have 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'.

The information in this report that relates to exploration results was compiled by Mark Menzies. Mr Menzies is a qualified geologist and a full time employee of Bauxite Resources Limited ("BRL"). He is a shareholder in BRL and is entitled to participate in BRL's employee performance plan, details of which are included in BRL's 2014 Remuneration Report. Mr Menzies is a member of the Australian Institute of Geoscientists, and 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 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 report of material in the form and context in which it appears.

The Company advises that this Report contains summaries of Exploration Results and Mineral Resources as defined in the 2012 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' ("JORC Code"). The JORC compliant Public Reports released to the ASX declaring the exploration results or JORC resources referred to can be viewed on both the ASX and the Company websites, free of charge.

Information prepared and first disclosed under the JORC 2004 Edition, and not related to a material mining project, and which has not materially changed since last reported has not been updated.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimate in the relevant market announcement continue to apply.

AUDITORS' INDEPENDENCE STATEMENT

MOORE STEPHENS

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AUDITOR'S INDEPENDENCE DECLARATION UNDER S307C OF THE *CORPORATIONS ACT 2001* TO THE DIRECTORS OF BAUXITE RESOURCES LIMITED & CONTROLLED ENTITIES

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2015 there have been no contraventions of:

i. the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. any applicable code of professional conduct in relation to the audit.

Suan-Lee Tan	**Moore Stephens**
Partner	**Chartered Accountants**

Signed at Perth this 18th day of September 2015

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

YEAR ENDED 30 JUNE 2015

	Notes	Consolidated Group	
		2015 $	2014 $
Sales Revenue	4	-	-
Recoupment of exploration costs	4	404,789	755,242
Other income	4	226,112	451,829
Interest income	4	961,187	1,695,348
Employee benefits scheme		(1,108,549)	(1,261,252)
Exploration expenses as incured		(2,314,981)	(3,515,847)
Study costs		(342,655)	(51,902)
Administration expenses		(1,457,458)	(1,759,351)
Litigation Settlement	25	(5,250,000)	-
Depreciation and amortisation expenses		(584,461)	(688,209)
Impairment of property, plant & equipment	10	(1,015,105)	(10,911)
Gain/(loss) on disposal of fixed assets		2,410	(57,805)
Share based payments expenses	28	(143,488)	(111,734)
Share of net profits of associates and joint venture entities		-	-
Profit / (loss) before income	5	(10,622,199)	(4,554,592)
Income tax expenses	6	-	-
Profit / (loss) for the period		(10,622,199)	(4,554,592)
Profit / (loss) attributed to:			
Members of the parent entity		(10,622,199)	(4,554,592)
Non-controlling interests		-	-
		(10,622,199)	(4,554,592)
Other comprehensive income			
Other comprehensive income for the period, net of tax		-	-
Total comprehensive income/(loss) for the period		(10,622,199)	(4,554,592)
Earnings per share			
From continuing and discontinued operations:			
Basic earnings per share (cents)		(4.6)	(2.0)
Diluted earnings per share (cents)		(4.5)	(1.9)
From continuing operations:			
Basic earnings per share (cents)		(4.6)	(2.0)
Diluted earnings per share (cents)		(4.5)	(1.9)

The above statement should be read in conjunction with the notes to the financial statement.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2015

	Notes	Consolidated Group	
		2015 $	2014 $
CURRENT ASSETS			
Cash and cash equivalents	7	22,998,193	40,935,260
Trade and other receivables	8	735,996	984,754
TOTAL CURRENT ASSETS		23,734,189	41,920,014
NON CURRENT ASSETS			
Other financial assets	9	360,358	360,358
Property, plant and equipment	10	3,515,396	5,117,596
Intangible assets	11	-	-
TOTAL NON CURRENT ASSETS		3,875,754	5,477,954
TOTAL ASSETS		27,609,943	47,397,968
CURRENT LIABILITIES			
Trade and other payables	12a	226,230	259,421
Provisions	12b	79,781	72,252
TOTAL CURRENT LIABILITIES		306,011	331,673
TOTAL LIABILITIES		306,011	331,673
NET ASSETS		27,303,932	47,066,295
EQUITY			
Contributed equity	13	78,401,613	87,651,716
Reserves	14(a)	690,892	580,953
Retained earnings / (accumulated losses)	14(b)	(51,788,573)	(41,166,374)
TOTAL EQUITY		27,303,932	47,066,295

The above statement should be read in conjunction with the notes to the financial statement.

STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 30 JUNE 2015

Consolidated Group	Notes	Issued Ordinary Capital	Reserves	Retained Earnings	Total
		$	$	$	$
Balance at 1 July 2013		87,872,818	469,219	(36,611,782)	51,730,255
Loss for the period		-	-	(4,554,592)	(4,554,592)
Other comprehensive income		-	-	-	-
Total comprehensive income for the period		-	-	(4,554,592)	(4,554,592)
Shares issued during the period		-	-	-	-
Shares repurchased and cancelled during the period		(220,002)	-	-	(220,002)
Transaction costs associated with share buy back		(1,100)	-	-	(1,100)
Employee share options issued during the period		-	111,734	-	111,734
Balance at 30 June 2014		87,651,716	580,953	(41,166,374)	47,066,295
Loss for the period		-	-	(10,622,199)	(10,622,199)
Other comprehensive income		-	-	-	-
Total comprehensive income for the period		-	-	(10,622,199)	(10,622,199)
Shares issued during the period		-	-	-	-
Performance shares converted to ordinary shares		33,549	(33,549)	-	-
Shares returned during the period		(9,275,908)	-	-	(9,275,908)
Transaction costs associated with capital return		(7,744)	-	-	(7,744)
Employee share options issued during the period		-	143,488	-	143,488
Balance at 30 June 2015		78,401,613	690,892	(51,788,573)	27,303,932

The above statement should be read in conjunction with the notes to the financial statement.

STATEMENT OF CASH FLOW

YEAR ENDED 30 JUNE 2015

	Notes	Consolidated Group	
		2015 $	2014 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		715,429	2,293,661
Payments to suppliers and employees		(2,842,360)	(3,171,618)
Payments for exploration expenditure		(2,374,343)	(3,348,976)
Payment for litigation settlement	25	(5,250,000)	-
Interest received		1,092,815	1,804,637
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	26	(8,658,459)	(2,422,296)
CASH FLOWS FROM INVESTING ACTIVITIES			
Recoup/(payment)of security deposit		-	67,570
Receipts from sales of property, plant & equipment		8,727	46,091
Payments for property, plant and equipment		(3,683)	(21,006)
NET CASH INFLOW/ (OUTFLOW) FROM INVESTING ACTIVITIES		5,044	92,655
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment for capital return		(9,283,652)	-
Payment for buyback of shares		-	(221,102)
NET CASH INFLOW FROM FINANCING ACTIVITIES		(9,283,652)	(221,102)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(17,937,067)	(2,550,743)
Cash and cash equivalents at the beginning of the financial year		40,935,260	43,486,003
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	7	22,998,193	40,935,260

The above statement should be read in conjunction with the notes to the financial statement.

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This financial report includes the consolidated financial statements and notes of Bauxite Resources Limited and controlled entities ("Consolidated Group" or "Group"). The financial statements were authorized for issue on 18 September 2015 by the directors of the Company.

(a) Basis of preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the Corporations Act 2001. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Compliance with IFRS

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards ("AIFRS"). Compliance with AIFRS ensures that the financial report of Bauxite Resources Limited complies with International Financial Reporting Standards ("IFRS").

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities (including derivative instruments) at fair value through profit or loss, certain classes of property, plant and equipment. The financial report is presented in Australian dollars.

(b) Principles of consolidation

Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Bauxite Resources Limited ("Company" or "parent entity") as at 30 June 2015 and the results of all subsidiaries for the year then ended. Bauxite Resources Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Associates

Associates are entities over which the consolidated entity has significant influence but not control or joint control. Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the consolidated entity's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Dividends received or receivable from associates reduce the carrying amount of the investment.

When the consolidated entity's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables, the consolidated entity does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The consolidated entity discontinues the use of the equity method upon the loss of significant influence over the associate and recognises any retained investment at its fair value. Any difference between the associate's carrying amount, fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

(c) Interests in joint ventures arrangements

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

Separate joint venture entities providing joint venturers with an interest to net assets are classified as a joint venture and accounted for using the equity method. Refer to Note 1(b) for a description of the equity method of accounting.

Joint venture operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The Group's interests in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the consolidated financial statements.

Gains and losses resulting from sales to a joint operation are recognised to the extent of the other parties' interests. When the Group makes purchases from a joint operation, it does not recognise its share of the gains and losses from the joint arrangement until it resells those goods/assets to a third party.

(d) Segment reporting

A business segment is identified for a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different to those of other business segments. A geographical segment is identified when products or services are provided within a particular economic environment subject to risks and returns that are different from those of segments operating in other economic environments.

(e) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument.

Proceeds from a Research & Development tax incentive is recognised as a government grant in accordance with AASB 120 Accounting for Government Grants, and disclosed as Other Income.

(f) Income tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

(g) Leases

Leases of property, plant and equipment where the Group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases are depreciated over the shorter of the asset's useful life and the lease term.

Leases where a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases (note 21). Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

(h) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

(i) Cash and cash equivalents

For cash flow statement presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value, and bank overdrafts.

(j) Trade and other receivables

Receivables are recognised and carried at original invoice amount less a provision for any uncollectible debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written-off as incurred.

(k) Investments and other financial assets

Classification

The Group classifies its investments in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the balance sheet.

Collectability of loans and receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment) is used when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables or in an otherwise timely manner. The amount of the impairment allowance is the difference between the asset's carrying amount and the estimated future cash flows. None of the Group's loans and receivables has an applicable interest rate hence the cash flows are not discounted.

The amount of the impairment loss is recognised in the income statement within impairment expenses. When a loan or receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the income statement.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity. If the Group were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

(iv) Available-for-sale financial assets

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date. Investments are designated available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

Recognition and de-recognition

Regular purchases and sales of financial assets are recognised on trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed to the income statement. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in the income statement as gains and losses from investment securities.

Subsequent measurement

Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within other income or other expenses in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the income statement as part of revenue from continuing operations when the Group's right to receive payments is established.

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. The translation differences related to changes in the amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in equity. Changes in the fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in equity.

Details on how the fair value of financial investments is determined are disclosed in note 2.

Impairment

The Group assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments classified as available-for-sale are not reversed through the income statement.

(l) Property, plant and equipment

Property

Freehold land and buildings are carried at historical cost less, where applicable, any accumulated depreciation and impairment losses. Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same asset are recognised against revaluation surplus directly in equity; all other decreases are recognised in profit or loss.

Plant and equipment

All plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the reporting period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets excluding freehold land, is depreciated using the reducing balance method to allocate their cost, net of their residual values, over their estimated useful lives. Buildings are depreciated on a straight line basis.

The depreciation rates for each class of depreciable assets are:

Plant & equipment	7-67%
Motor vehicles	25-30%
Buildings	2.5%
Software	30-50%
Exploration equipment	20-67%
Furniture & fittings	10-40%
Computer equipment	20-50%
Leasehold improvements	10-25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 1(h)).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement. When revalued assets are sold, it is Group policy to transfer the amounts included in other reserves in respect of those assets to retained earnings.

(m) Tenement acquisition and exploration costs

Tenement acquisition and exploration costs incurred are written off as incurred.

(n) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are paid on normal commercial terms.

(o) Employee benefits

(i) Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits, and annual leave expected to be settled within 12 months of the balance sheet date are recognised in other payables in respect of employees' services up to the balance sheet date and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Share-based payments

The Group provides benefits to employees (including directors) of the Group in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ('equity-settled transactions'), refer to note 28.

The cost of these equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an internal valuation using a Black-Scholes or binomial option pricing model.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ('vesting date').

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the number of options that, in the opinion of the directors of the Group, will ultimately vest. This opinion is formed based on the best available information at balance date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award.

(p) Contributed equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

The amount expended on the on-market buy-back of shares is debited to the share capital account to the extent of share capital available. Should the amount expended on on-market share buy-backs exceed the amount of available share capital, the remainder will be debited against distributable reserves.

(q) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(r) Goods and Services Tax ("GST")

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

(s) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Where the Group retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

(t) New and amended accounting policies adopted by the group

The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

AASB 2012-3 Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities

The consolidated entity has applied AASB 2012-3 from 1 July 2014. The amendments add application guidance to address inconsistencies in the application of the offsetting criteria in AASB 132 'Financial Instruments: Presentation', by clarifying the meaning of 'currently has a legally enforceable right of set-off'; and clarifies that some gross settlement systems may be considered to be equivalent to net settlement.

AASB 2013-3 Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets

The consolidated entity has applied AASB 2013-3 from 1 July 2014. The disclosure requirements of AASB 136 'Impairment of Assets' have been enhanced to require additional information about the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposals. Additionally, if measured using a present value technique, the discount rate is required to be disclosed.

AASB 2014-1 Amendments to Australian Accounting Standards (Parts A to C)

The consolidated entity has applied Parts A to C of AASB 2014-1 from 1 July 2014. These amendments affect the following standards: AASB 2 'Share-based Payment': clarifies the definition of 'vesting condition' by separately defining a 'performance condition' and a 'service condition' and amends the definition of 'market condition'; AASB 3 'Business Combinations': clarifies that contingent consideration in a business combination is subsequently measured at fair value with changes in fair value recognised in profit or loss irrespective of whether the contingent consideration is within the scope of AASB 9; AASB 8 'Operating Segments': amended to require disclosures of judgements made in applying the aggregation criteria and clarifies that a reconciliation of the total reportable segment assets to the entity's assets is required only if segment assets are reported regularly to the chief operating decision maker; AASB 13 'Fair Value Measurement': clarifies that the portfolio exemption applies to the valuation of contracts within the scope of AASB 9 and AASB 139; AASB 116 'Property, Plant and Equipment' and AASB 138 'Intangible Assets': clarifies that on revaluation, restatement of accumulated depreciation will not necessarily be in the same proportion to the change in the gross carrying value of the asset; AASB 124 'Related Party Disclosures': extends the definitionof 'related party' to include a management entity that provides KMP services to the entity or its parent and requires disclosure of the fees paid to the management entity; AASB 140 'Investment Property':

clarifies that the acquisition of an investment property may constitute a business combination.

(u) New accounting standards for application in future periods

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2015. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

AASB 9 Financial Instruments

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard replaces all previous versions of AASB 9 and completes the project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. AASB 9 introduces new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost, if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, which arise on specified dates and solely principal and interest. All other financial instrument assets are to be classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income ('OCI'). For financial liabilities, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements will use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment will be measured under a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. The standard introduces additional new disclosures. The consolidated entity will adopt this standard from 1 July 2018 but the impact of its adoption is yet to be assessed by the consolidated entity.

AASB 15 Revenue from Contracts with Customers

This standard is applicable to annual reporting periods beginning on or after 1 January 2017. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard will require: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determine the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied. Credit risk will be presented separately as an expense rather than adjusted to revenue. For goods, the performance obligation would be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers. For performance obligations satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied. Contracts with customers will be presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Sufficient quantitative and qualitative disclosure is required to enable users to understand the contracts with customers; the significant judgments made in applying the guidance to those contracts; and any assets recognised from the costs to obtain or fulfil a contract with a customer. The consolidated entity will adopt this standard from 1 July 2017 but the impact of its adoption is yet to be assessed by the consolidated entity.

(v) Critical accounting estimates and judgements

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are:

Share based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an internal valuation using a Black-Scholes or binomial option pricing model, using the assumptions detailed in note 28.

Impairment of assets

The Group assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using estimated net realisable values which incorporate various assumptions such as current indicative values and expected future cash inflows.

2. FINANCIAL RISK MANAGEMENT

The Group's activities potentially expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

Risk management is carried out by the full Board of Directors as the Group believes that it is crucial for all Board members to be involved in this process. The Chairman, with the assistance of senior management as required, has responsibility for identifying, assessing, treating and monitoring risks and reporting to the Board on risk management.

(a) Market risk

(i) Foreign exchange risk

As all operations are currently within Australia, the Group is not exposed to material foreign exchange risk.

(ii) Price risk

The Group is not exposed to any significant price risk.

(iii) Interest rate risk

The Group is exposed to movements in market interest rates on cash and cash equivalents. The Group policy is to monitor the interest rate yield curve out to six months to ensure a balance is maintained between the liquidity of cash assets and the interest rate return. The entire balance of cash and cash equivalents for the Group and the parent entity $22,998,193 (2014: $40,935,260) is subject to interest rate risk. The proportional mix of floating interest rates and fixed rates to a maximum of six months fluctuate during the year depending on current working capital requirements. The weighted average interest rate received on cash and cash equivalents by the Group and the parent entity was 2.87% (2014: 3.88%).

Sensitivity analysis

At 30 June 2015, if interest rates had changed by -/+ 80 basis points from the weighted average rate for the year with all other variables held constant, post-tax loss for both the Group and the parent entity would have been $267,734 lower/higher (2014: $349,685 lower/higher) as a result of lower/higher interest income from cash and cash equivalents.

(b) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group.

Credit risk is managed through the maintenance of procedures (such procedures include the utilisation of systems for the approval, granting and renewal of credit limits, regular monitoring of exposures against such limits and monitoring of the financial stability of significant customers and counterparties), ensuring to the extent possible, that customers and counterparties to transactions are of sound credit worthiness. Such monitoring is used in assessing receivables for impairment. The consolidated entity has a credit risk exposure with HD Mining and Investment Pty Ltd a joint venture partner, which as at 30 June 2015 owed the consolidated entity $166,630 (81.70% of trade receivables) (2014: $39,714 (42.63% of trade receivables)). This balance was within its terms of trade and no impairment was made as at 30 June 2015. There are no guarantees against this receivable but management closely monitors the receivable balance on a monthly basis and is in regular contact with the Joint Venture Partner to mitigate risk.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating, or in entities that the Board has otherwise cleared as being financially sound. Where the Group is unable to ascertain a satisfactory credit risk profile in relation to a customer or counterparty, the risk may be further managed through title retention clauses over goods or obtaining security by way of personal or commercial guarantees over assets of sufficient value which can be claimed against in the event of any default.

(c) Liquidity risk

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring sufficient cash and marketable securities are available to meet the current and future commitments of the Group. Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. The Board of Directors constantly monitor the state of equity markets in conjunction with the Group's current and future funding requirements, with a view to initiating appropriate capital raisings as required.

The financial liabilities of the Group and the parent entity are confined to trade and other payables as disclosed in the Balance Sheet. All trade and other payables are non-interest bearing and due within 12 months of the balance sheet date. Given the relative size of the cash reserves, the Group is not currently exposed to any significant liquidity risk.

(d) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

3. PARENT ENTITY FINANCIAL INFORMATION

(a) Summary financial information

	2015 $	2014 $
Current assets	23,217,461	41,234,007
Non-current assets	28,792,980	27,685,367
Total assets	52,010,441	68,919,374
Current liabilities	270,346	253,434
Total liabilities	270,346	253,434
Net assets	51,740,095	68,665,940
Shareholders' equity		
Contributed equity	78,401,603	87,651,716
Reserves	690,892	580,953
Accumulated profit/(loss)	(27,352,400)	(19,566,729)
Net equity	51,740,095	68,665,940
(Loss)/profit for the year after tax	(7,785,671)	(2,245,686)
Total comprehensive income/(loss)	(7,785,671)	(2,245,686)

(b) Guarantees entered into by parent entity

	2015 $	2014 $
Unconditional performance bonds issued in relation to credit card and rental obligations	352,000	352,000

The parent entity has provided a bank guarantee to secure its obligation to pay rental under the lease for its premises. This guarantee is secured by a cash deposit of equivalent or greater value lodged with the issuing bank (see Note 9).

(c) Contingent Liabilities of parent entity

Details and estimate of maximum amounts of contingent liabilities for which no provision is included in the accounts are as follows:

	2015 $	2014 $
Unconditional performance bonds issued in relation to credit card and rental obligations	352,000	352,000

No losses are anticipated in respect of any of these contingent liabilities, and therefore no provision for loss has been made in these accounts. Refer to note 20 for details of other contingent liabilities.

(d) Contractual commitments for the acquisition of property, plant and equipment

The Company has no contractual commitments for the acquisition of property, plant and equipment (2014 – nil).

4. REVENUE

From continuing operations

	Consolidated Group	
	2015 $	2014 $
Reimbursement of exploration costs	404,789	755,242
Other revenue	226,112	451,829
Interest	961,187	1,695,348
	1,592,088	2,902,419

5. LOSS FOR THE YEAR

Expenses

	Consolidated Group	
	2015 $	2014 $
Cost of Sales	-	-
Impairment of property, plant & equipment	1,015,105	10,911
Rental expense on operating leases	-	-
Minimum lease payments	463,297	445,477
Exploration expenditure	2,314,981	3,515,847

6. INCOME TAX EXPENSE

		Consolidated Group	
		2015 $	2014 $
a)	The components of tax expenses comprise:		
	Current tax	-	-
	Deferred tax	-	-
	Prior year tax adjustment	-	-
	Income tax expense reported in the statement of comprehensive income	-	-
b)	Numerical reconciliation of income tax expense to prima facie tax payable:		
	Loss from continuing operations before income tax expense	(10,622,199)	(4,554,592)

		Consolidated Group	
		2015 $	2014 $
b)	(Continued)		
	Prima facie tax benefit on loss from ordinary activities before income tax at 30% (2014: 30%)	(3,186,660)	(1,366,378)
	Add tax effect of:		
	- Non-allowable items	45,097	45,424
	- Deferred tax balances not recognised	1,424,245	-
	- Revenue losses not recognised	1,728,205	1,493,284
		10,887	172,330
	Less tax effect of:		
	- Non-assessable items	10,887	9,702
	- Deferred tax balances not recognised	-	162,628
	Income tax expense reported in the statement of profit and loss and other comprehensive income	-	-
c)	Deferred tax recognised:		
	Deferred tax liabilities:		
	Accrued interest	(22,074)	(61,563)
	Other	(1,261)	(1,832)
	Deferred tax assets:		
	Carry forward revenue losses	23,335	63,395
	Net deferred tax	-	-
(d)	Deferred tax not recognised:		
	Deferred tax assets at 30%:		
	Carry forward losses	13,949,882	12,245,874
	Capital raising and restructuring costs	1,311,866	60,851
	Property, plant & equipment	1,145,836	840,228
	Exploration and development	27,675	158,893
	Provisions and accruals	39,174	38,029
		16,474,433	13,343,875

The tax benefits of the above deferred tax assets will only be obtained if:

(a) the company derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised;

(b) the company continues to comply with the conditions for deductibility imposed by law; and

(c) no changes in income tax legislation adversely affect the company in utilising the benefits.

The 2014 comparative has been adjusted to be consistent with the 2015 format. There has been no change to the 2014 current and deferred taxes.

Tax consolidation

(i) Members of the tax consolidated group

Bauxite Resources Limited and its wholly owned Australian resident subsidiaries have formed a tax consolidated group with effect from 10 June 2008. Bauxite Resources Limited is the head entity of the tax consolidated group.

(ii) Tax effect accounting by members of the tax consolidated group

Measurement method adopted under UIG 1052 Tax Consolidated Accounting

The group has applied the Stand-Alone Taxpayer approach in determining the appropriate amount of current and deferred taxes recognised by members of the tax consolidated group. Each entity in the group recognises its own current and deferred tax assets and liabilities, except for any deferred tax assets resulting from unused tax losses and tax credits and any current tax liability. Deferred tax assets resulting from unused tax losses and tax credits and the current tax liability are assumed and recognised by the parent entity. The group has not entered into any tax sharing or funding agreements.

7. CURRENT ASSETS - CASH AND CASH EQUIVALENTS

	Consolidated Group	
	2015 $	2014 $
Cash at bank and in Hand	738,499	836,569
Short-term deposits	22,259,694	40,098,691
Cash and cash equivalents as shown in the balance sheet and the statement of cash flows	22,998,193	40,935,260

8. CURRENT ASSETS - TRADE AND OTHER RECEIVABLES

	Consolidated Group	
	2015 $	2014 $
Trade debtors	203,943	93,165
Sundry receivables	303,190	544,862
Accrued interest income	73,582	205,210
Prepayments	155,281	141,517
	735,996	984,754

The Group has a concentration of credit risk with respect to one entity holding 81.70% (2014: 42.63%) of the trade debtors. The class of assets described as “trade and other receivables” is considered to be the main source of credit risk related to the Group.

The consolidated entity did not consider a credit risk on the aggregate balances after reviewing the credit terms of customers based on recent collection practices.

	Gross Amount	Past due but not impaired (days overdue)			
		<30	31-60	61-90	>90
2015					
Trade and debtors	203,943	44,045	14,229	-	-
Total	203,943	44,045	14,229	-	-
2014					
Trade and debtors	93,165	1,350	-	-	-
	93,165	1,350	-	-	-

9. NON-CURRENT ASSETS - OTHER FINANCIAL ASSETS

	Consolidated Group	
	2015 $	2014 $
Bonds and security deposits	360,358	360,358
	360,358	360,358

10. NON-CURRENT ASSETS - PROPERTY, PLANT AND EQUIPMENT

	Consolidated Group	
	2015 $	2014 $
Plant and equipment		
Cost	2,837,657	3,252,762
Accumulated depreciation	(2,024,243)	(1,803,303)
Net book amount	813,414	1,449,459
Plant and equipment		
Opening net book amount	1,449,459	1,984,345
Depreciation charge	(220,940)	(460,886)
Impairments	(415,105)	(2,163)
Disposals	-	(71,837)
Closing net book amount	813,414	1,449,459
Motor Vehicles		
Cost	437,206	463,663
Accumulated depreciation	(354,538)	(325,403)
Net book amount	82,668	138,260
Motor Vehicles		
Opening bet book amount	138,260	212,428
Additions	1,815	14,213
Depreciation charge	(51,090)	(64,060)
Disposals	(6,317)	(24,321)
Closing net book amount	82,668	138,260
Property and buildings		
Cost	2,389,956	2,989,956
Accumulated depreciation	(64,313)	(53,576)
Net book amount	2,325,643	2,936,380
Property and buildings		
Opening bet book amount	2,936,380	2,947,118
Depreciation charge	(10,737)	(10,738)
Impairments	(600,000)	-
Closing net book amount	2,325,643	2,936,380
Software		
Cost	295,944	295,944
Accumulated depreciation	(287,810)	(273,302)
Net book amount	8,134	22,642
Software		
Opening net book amount	22,642	64,590
Additions	-	3,910
Depreciation change	(14,508)	(37,110)
Impairments	-	(8,748)
Closing net book amount	8,134	22,642
Exploration equipment		
Cost	209,912	208,423
Accumulated depreciation	(185,663)	(173,882)
Net book amount	24,249	34,541
Exploration equipment		
Opening net book amount	34,541	59,194
Additions	1,489	444
Depreciation change	(11,781)	(18,777)
Disposals	-	(6,320)
Closing net book amount	24,249	34,541

	Consolidated Group	
	2015 $	2014 $
Furniture and Fittings		
Cost	147,006	146,627
Accumulated depreciation	(125,738)	(98,973)
Net book amount	21,268	47,654
Furniture and Fittings		
Opening net book amount	47,654	55,309
Additions	379	1,592
Depreciation change	(26,765)	(9,247)
Closing net book amount	21,268	47,654
Computer equipment		
Cost	171,159	171,189
Accumulated depreciation	(163,477)	(151,674)
Net book amount	7,682	19,515
Computer equipment		
Opening net book amount	19,515	41,779
Additions	-	1,228
Depreciation change	(11,833)	(21,693)
Disposals	-	(1,799)
Closing net book amount	7,682	19,515
Leasehold improvements		
Cost	809,233	809,232
Accumulated depreciation	(576,895)	(340,087)
Net book amount	232,338	469,145
Leasehold improvements		
Opening net book amount	469,145	534,843
Depreciation charge	(236,807)	(65,698)
Closing net book amount	232,338	469,145
Total Assets		
Cost	7,298,073	8,337,796
Accumulated depreciation	(3,782,677)	(3,220,200)
Net book amount	3,515,396	5,117,596
Total assets		
Opening net book amount	5,117,596	5,899,606
Additions	3,683	21,387
Depreciation charge	(584,461)	(688,209)
Impairments	(1,015,105)	(10,911)
Disposals	(6,317)	(104,277)
Closing net book amount	3,515,396	5,117,596

Impairment Losses – Property, Plant & Equipment

The total impairment loss of property, plant & equipment recognised in the statement of profit or loss during the year amounted to $1,015,105 (2014: $10,911) and is separately presented in the statement as “impairment of property, plant and equipment”. The current year’s impairment charge relates to items of property, plant and equipment acquired by the Company in 2010 to undertake mining operations. The directors reviewed the carrying amounts of property, plant and equipment with items being written down to their estimated realisable value, resulting in the impairment charge. In estimating the realisable value of items reference was made to their market prices as a benchmark.

11. NON-CURRENT ASSETS - INTANGIBLE ASSETS

	Consolidated Group	
	2015 $	2014 $
Formation expenses	-	-
Cost	4,147	4,147
Accumulated amortisation	(4,147)	(4,147)
Net book amount	-	-

12. CURRENT LIABILITIES

	Consolidated Group	
	2015 $	2014 $
(a) Trade and other payables		
Trade payables	183,627	182,228
GST and tax liabilities	(21,059)	(31,871)
Other payables and accruals	63,662	109,064
	226,230	259,421
(b) Provisions		
Annual and long service leave provisions		
Opening balance at 1 July	72,252	81,074
Additional provisions	127,339	85,829
Amounts used	(119,810)	(94,651)
Balance at 30 June	79,781	72,252

The provision represents annual leave and long service leave obligations expected to be settled within 12 months of the balance date and are measured at the amounts expected to be paid when the liabilities are settled.

13. CONTRIBUTED EQUITY

		2015		2014	
	Notes	Number of securities	$	Number of securities	$
(a) Share Capital					
Ordinary shares fully paid	13b, 13d		78,401,613		87,651,716
Total contributed equity			78,401,613		87,651,716
(b) Movements in ordinary shares					
Begining of the financial year		231,483,496	87,651.716	233,283,496	87,872,818
Issued during the year		414,200	33,549	-	-
Capital returned		-	(9,275,908)	-	-
Bought back			-	(1,800,000)	(220,002)
Less: Transaction costs		-	(7,744)	-	(1,100)
End of financial year		231,897,696	78,401,613	231,483,496	87,651,716

	Consolidated Group	
	2015 $	2014 $
(c) Movement in options on issue		
Begining of the financial year	2,000,000	2,000,000
Exercised, cancelled or expired during the year:	-	-
Exercisable at 40 cents, on or before 22 February 2016	-	-
Exercisable at 40 cents, on or before 31 January 2016	-	-
End of the financial year	2,000,000	2,000,000

(d) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

(e) Capital risk management

The Group's and the parent entity's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they may continue to provide returns for shareholders and benefits for other stakeholders.

Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Group's capital risk management is the current working capital position against the requirements of the Group to meet exploration programmes and corporate overheads. The Group's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required. The working capital position of the Group at 30 June 2015 and 30 June 2014 are as follows:

	Consolidated Group	
	2015 $	2014 $
Cash and cash equivalents	22,998,193	40,935,260
Trade and other receivables	735,996	984,753
Trade and other payables	(226,230)	(259,421)
Working capital position	23,507,959	41,660,592

14. RESERVES AND ACCUMULATED LOSSES

	Consolidated Group	
	2015 $	2014 $
(a) **Reserves**		
Share-based payments reserve		
Balance at beginning of year	580,953	469,219
Employees and contractors performance rights issued	109,939	111,734
Employees and contractors share options lapsed/cancelled	-	-
Balance at end of year	690,892	580,953
(b) Retained earnings / (accumulated losses)		
Balance at beginning of year	(41,166,374)	(36,611,782)
Net profit/(loss) for the year	(10,622,199)	(4,554,592)
Employees and contractors share options lapsed	-	-
Balance at end of year	(51,788,573)	(41,166,374)

15. DIVIDENDS

No dividends were paid during the financial year. No recommendation for payment of dividends has been made.

16. KEY MANAGEMENT PERSONNEL DISCLOSURES

Refer to the remuneration report contained in the directors' report for details of the remuneration paid or payable to each member of the Group's key management personnel ("KMP") for the year ended 30 June 2015.

The totals of remuneration paid to KMP of the company and the Group during the year are as follows:

	Consolidated Group	
	2015 $	2014 $
Short-term benefits	1,286,828	1,467,210
Post-employment benefits	88,790	91,482
Termination benefits	-	18,333
Share-based payments	116,114	86,080
	1,491,732	1,663,105

The Company has taken advantage of the relief provided by AASB 2008-4 Amendments to Australian Accounting Standard – Key Management Personnel Disclosures by Disclosing Entities and has transferred the detailed remuneration disclosures to the directors' report. The relevant information can be found in sections A-H of the remuneration report on pages 17 to 22.

Short-term employee benefits

These amounts include fees and benefits paid to the non-executive Chair and non-executive directors as well as all salary, paid leave benefits, fringe benefits, consultancy fees and cash bonuses awarded to executive directors and other KMP.

Post-employment benefits

These amounts are the current-year's superannuation contributions made during the year.

Share-based payments

These amounts represent the expense related to the participation of KMP in equity-settled benefit schemes as measured by the fair value of the options, rights and shares granted on grant date.

17. ASSOCIATES AND JOINT ARRANGEMENTS

(a) Joint venture - Bauxite Alumina Joint Venture Pty Ltd

The Group has a 50% interest in Bauxite Alumina Joint Venture Pty Ltd, a jointly controlled entity. This Joint Venture entity acts as the Manager of the Joint Operations in (b) and (c) below. The entity receives Management Fees for its services. Interests in joint ventures are accounted for using the equity method of accounting. In accordance with AASB 128 Investment in Associates and Joint Venture, the joint venture has a carrying amount of $0 on the basis that it has net liabilities as at 30 Jun 2015.

Information about this Joint Venture is presented below:

Name	Place of Business/ Incorporation	Classification	Proportion of Ordinary Share Interests		Measurement Method	Carrying Amount	
			2015 %	2014 %		2015 %	2014 %
Bauxite Alumina Joint Venture Pty Ltd	Perth, Australia	Joint Venture	50	50	Equity Method	-	-

Set out below is the summarised financial information for Bauxite Alumina Joint Venture Pty Ltd. Unless otherwise stated, the disclosed information reflects the amounts presented in the Australian Accounting Standards financial statements of Bauxite Alumina Joint Venture Pty Ltd. The following summarised financial information, however, reflects the adjustments made by the Group when applying the equity method. This entity has the same financial year end as Bauxite Resources Limited.

	Bauxite Alumina Joint Venture Pty Ltd	
	2015 $	2014 $
Sumarised Financial Position		
Current assets	118,903	137,422
Non-current assets	1,100,665	1,233,425
Current liabilites	1,281,652	1,458,602
Non-current liabilities	-	-
Net assets	(62,084)	(87,755)
Group's Share	50%	50%
Group's Share of joint venture's net assets - unrecognised	(31,042)	(43,878)
Summarised Financial Performance		
Income	31,408	43,079
Expenses	-	-
Income tax expense	(5,737)	(7,219)
Net profit / (loss) after tax	25,671	35,860
Group's Share	50%	50%
Group's Share of joint venture's net profit/(loss) after tax	-	-
Reconciliation to Carrying Amounts		
Group's share of joint venture's opening net assets	-	-
Group's share of joint venture's net profit/(loss) after tax	-	-
Group's share of joint venture's closing net assets (Closing carrying amount of investment)	-	-

Pursuant to AASB 128 Investments in Associates, the Group has discontinued to recognise its share of further losses. When the joint venture entity subsequently makes profits, the Group will resume recognising its share of those profits once its share of the profits equals the share of the losses not recognised. At 30 June 2015, the total share of unrecognised losses amounted to $31,042.

(b) Joint operation - Alumina Refinery Joint Venture

The Group has a 10% interest in the Alumina Refinery Joint Venture ("ARJV"), whose principal activity is to determine:

i. the feasibility of planning, developing, constructing and operating an Alumina Refinery; and

ii. if feasible, planning developing, constructing, operating and maintaining the Alumina Refinery.

Under the current terms of the ARJV, in the event that a bankable feasibility study is completed and the participants agree to construct a refinery, 9% of the capital expenditure will be met by BRL, however, it will be entitled to 30% of the alumina production and pay 30% of the operating costs.

(c) Joint operation - Bauxite Resource Joint Venture

The Group has a 30% interest in the Bauxite Resource Joint Venture, whose principal activity is exploring the tenements owned by BRL in the Darling Range of Western Australia (as specifically set out in the agreement) to support the development of bauxite mining and the conduct of mining operations to supply bauxite to an alumina refinery under the terms of the Agreement.

(d) Summarised financial information for joint operations

The Company has determined that the Bauxite Resource Joint Venture and the Alumina Refinery Joint Venture both meet the definition of "joint operation" under IFRS 11. Accordingly the following amounts are included in the Group's consolidated financial statements representing the Group's share of the assets liabilities, income and expenses of the Joint Ventures above:

	Bauxite Resources Joint Venture		Alumina Refinery Joint Venture	
	2015 $	2014 $	2015 $	2014 $
Summarised Financial Position				
Current assets	735,580	780,925	93,745	92,995
Non-current assets	31,344	66,729	-	52
Current liabilities	38,837	75,539	400	400
Net Assets	728,087	772,115	93,345	92,647
Summarised Financial Performance				
Income	6,478	11,210	1,172	1,493
Expenses	1,654,650	1,892,783	473	15,715
Net profit / (loss) after tax	(1,648,172)	(1,881,573)	699	(14,222)

The figures above refer to BRL's share of the assets liabilities, income and expenses of the joint operations as at 30 June 2015.

(e) Exploration Commitments

Bauxite Resources Joint Venture		
	2015 $	2014 $
Share of expenditure commitments of jointly controlled entities		
Exploration commitments		
Payable within one year	307,567	552,860
Payable later than one year but not later than five years	285,800	940,522
	593,367	1,493,382

The commitments above refer to BRL's share of granted tenements as at 30 June 2015. The commitments of the joint ventures are disclosed in note 21.

(f) HD Mining & Investment Pty Ltd

The Group has entered into a Farm-in arrangement with HD Mining & Investment Pty Ltd ("HDMI") to carry out exploration on tenements, and if warranted, to develop and exploit the tenements and carry out mining operations for the purpose of deriving production of Bauxite from them. HDMI has agreed to fund all costs to earn up to a maximum of 60% Participating Interest.

18. OPERATING SEGMENTS

Segment Information

Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Group is managed primarily on the basis of product category and service offerings as the diversification of the Group's operations inherently have notably different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics and are also similar with respect to the following:

— the products sold and/or services provided by the segment;
— the manufacturing process;
— the type or class of customer for the products or services;
— the distribution method; and
— any external regulatory requirements

Types of products and services by segment

i. Exploration

The Group has continued to advance its business case of defining an economic bauxite resource necessary to support a direct shipping ore ("DSO") operation. The Group is also exploring for refinery grade bauxite on its tenements in the south-west of Western Australia.

ii. Bankable feasibility and other studies

During the 2011 financial year, the Company entered into an agreement with Yankuang for an alumina refinery joint venture.

iii. Administration & Other

The administration area supports the above exploration and bankable feasibility segments.

Basis of accounting for purposes of reporting by operating segments

a. Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors, being the chief decision maker with respect to operating segments, are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

b. Inter-segment transactions

An internally determined transfer price is set for all inter-segment sales. This price is reset quarterly and is based on what would be realised in the event the sale was made to an external party at arm's length. All such transactions are eliminated on consolidation of the Group's financial statements.

Inter-segment loans payable and receivable are initially recognised at the consideration received/to be received net of transaction costs. If inter-segment loans receivable and payable are not on commercial terms, these are not adjusted to fair value based on market interest rates. This policy represents a departure from that applied to the statutory financial statements.

c. Segment assets

Where an asset is used across multiple segments, the asset is allocated to that segment that receives majority economic value from that asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

d. Segment liabilities

Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables and certain direct borrowings.

e. Unallocated items

The following items of revenue, expenses, assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

— Derivatives
— Net gains on disposal of available-for-sale investments
— Income tax expense
— Deferred tax assets and liabilities
— Current tax liabilities
— Other financial liabilities
— Intangible assets
— Discontinuing operations
— Retirement benefit obligations

i. Segmented performance

	Exploration	BFS & other studies	Administration & other	Total
	$	$	$	$
30 June 2015				
REVENUE				
External sales	404,789	-	-	404,789
Inter-segment sales	-	-	-	-
Interest revenue	-	-	961,187	961,187
Other revenue	-	-	226,112	226,112
Total segment revenue	404,789	-	1,187,299	1,592,088
Segment net loss before tax	(2,925,297)	(342,655)	(6,769,786)	(10,037,738)
Reconciliation of segment result to group net profit/loss before tax				
i. Amounts not included in segment result but reviewed by Board				
— Depreciation and amortisation				(584,461)
— Income tax expense				-
Net loss before tax from continuing operations				(10,622,199)

ii. Segmented performance

	Exploration	BFS & other studies	Administration & other	Total
	$	$	$	$
30 June 2014				
REVENUE				
External sales	755,242	-	-	755,242
Inter-segment sales	-	-	-	-
Interest revenue	-	-	1,695,348	1,695,348
Other revenue	-	-	451,829	451,829
Total segment revenue	755,242	-	2,147,77	2,902,419
Segment net loss before tax	(2,759,291)		(1,107,091)	(3,866,383)
Reconciliation of segment result to group net profit/loss before tax				
i. Amounts not included in segment result but reviewed by Board				
— Depreciation and amortisation				(688,209)
— Income tax expense				-
Net loss before tax from continuing operations				(4,554,592)

iii. Segmented assets

	Exploration	BFS & other studies	Administration & other	Total
	$	$	$	$
30 June 2014				
Segment assets	645,635	20,970	26,943,338	27,609,943
Total group assets				27,609,943
30 June 2014				
Segment assets	569,967	20,970	46,807,031	47,397,968
Total group assets				47,397,968

iii. Segmented liabilities

	Exploration	BFS & other studies	Administration & other	Total
	$	$	$	$
30 June 2014				
Segment liabilities	67,582	400	238,029	306,011
Total group liabilities				306,011
30 June 2014				
Segment liabilities	142,060	400	189,213	331,673
Total group liabilities				331,673

v. Major Customers

The Group has one major party that it received monies from in relation to recoupments for exploration costs (seen within the exploration segment above). 100% (2014: 100%) of this item was received from one external entity.

19. REMUNERATION OF AUDITORS

		Consolidated Group	
		2015 $	2014 $
(a)	**Audit services**		
	Moore Stephens - audit and review of financial reports	49,273	40,183
	Total remuneration for audit services	49,273	40,183
(b)	**Non-audit services**		
	Moore Stephens – taxation services	25,692	25,998
	Total remuneration for other services	25,692	25,998

20. CONTINGENCIES

The Company is not aware of any contingent liabilities as at 30 June 2015 or at the date of this report.

21. COMMITMENTS

		Consolidated Group	
		2015 $	2014 $
(a)	**Exploration commitments**		
	The Company has certain commitments to meet minimum expenditure requirements on the mineral exploration assets it has an interest in. Outstanding exploration commitments are as follows:		
	within one year	907,355	1,370,406
	later than one year but not later than five years	1,242,274	1,965,735
	Later than five years	-	-
		2,149,629	3,336,141
	The exploration commitments above reflect a commitment of 30% of total minimum annual expenditure requirements for tenements included in the Bauxite Resource Joint Venture Agreement. As legal title remains with BRL, it is the responsibility of the Company to meet these minimum expenditure requirements. Total commitments on tenements held by BRL total $1,625,010 (2014: $2,660,412) within one year and $1,909,139 (2014: $4,160,285) later than one year but not later than five years.		

		Consolidated Group 2015 $	Consolidated Group 2014 $
(b)	**Commercial property lease commitments**		
	within one year	432,905	731,456
	later than one year but not later than five years	-	432,905
	Later than five years	-	-
	Aggregate lease expenditure contracted for at reporting date but not recognised as liabilities	432,905	1,164,361
	The property lease is a non-cancellable lease with a six-year term, with rent payable monthly in advance. Contingent rental provisions within the lease agreement require the minimum lease payments to increase annually by set margins for 2 years followed by CPI increases. An option exists to renew the lease at the end of the six-year term for an additional term of three years. The lease allows for subletting of all lease areas.		

22. RELATED PARTY TRANSACTIONS

		Consolidated Group 2015 $	Consolidated Group 2014 $
(a)	**Amounts related to recoupment of expenses/payment on behalf of the JVs**		
	Bauxite Alumina Joint Ventures Pty Ltd	403,980	402,077
	Bauxite Resource Joint Venture	998	113,723
	Alumina Refinery Joint Venture	-	-
		404,978	515,800
(b)	**Amounts related to repayment for expenses paid on behalf by JVs (excluding equity contributions)**		
	Bauxite Alumina Joint Ventures Pty Ltd	9,453	19,098
	Bauxite Resource Joint Venture	12,690	21,334
	Alumina Refinery Joint Venture	-	-
		22,143	40,432
(c)	**Trade and other receivables from related parties**		
	Bauxite Alumina Joint Ventures Pty Ltd	34,553	33,047
	Bauxite Resource Joint Venture	-	2,200
	Alumina Refinery Joint Venture	-	-
		34,553	35,247
(d)	**Trade and other payables to related parties**		
	Bauxite Alumina Joint Ventures Pty Ltd	559	1,120
	Bauxite Resource Joint Venture	3,572	4,500
	Alumina Refinery Joint Venture	-	-
		4,131	5,620

23. SUBSIDIARIES

Name	Country of Incorporation	Date of Incorporation	Class of Shares	Equity Holding[1]	
				2015 $	2014 $
Darling Range Pty Ltd	Australia	10 June 2008	Ordinary	100	100
Braeburn Resources Pty Ltd	Australia	24 July 2007	Ordinary	100	100
Darling Range South Pty Ltd	Australia	13 November 2008	Ordinary	100	100
Darling Range North Pty Ltd	Australia	23 March 2009	Ordinary	100	100
BRL Operations Pty Ltd	Australia	16 February 2009	Ordinary	100	100
BRL Landholdings Pty Ltd	Australia	16 February 2009	Ordinary	100	100
BRL Other Minerals Pty Ltd	Australia	25 March 2009	Ordinary	100	100
VA Holdings Pty Ltd	Australia	13 February 2009	Ordinary	100	100
Bauxite Alumina Joint Ventures Pty Ltd	Australia	12 January 2011	Ordinary	50	50

Note 1 - The proportion of ownership interest is equal to the proportion of voting power held.

24. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

As announced to the ASX on 19 June 2015 the Company is in dispute with its partner in the Bauxite Alumina Joint Venture and a mediation process is underway. At the time of this report the parties have made progress in the negotiations to resolve the issues between them, but as yet no resolution of the matter has been agreed. Any resolution that may be achieved is not envisaged to have any consequence to the accounts for the financial year ending 30 June 2015. No other matters or circumstance have arisen since 30 June 2015 which significantly affected or could significantly affect the operations of the consolidated group in future financial years.

25. LITIGATION SETTLEMENT

On the 10 September 2014, the Company announced that it had executed a conditional agreement to settle a proposed shareholder class action against the Company. This was detailed in the Company's contingencies note 20 of the 2014 Annual Report.

On the 24 October 2014 it was announced that the preconditions had been satisfied and settlement was completed during the period.

26. CASH FLOW STATEMENT

Reconciliation of net profit or loss after income tax to net cash flows from operating activities.

	Consolidated Group	
	2015 $	2014 $
Net profit/(loss) for the year	(10,622,199)	(4,554,592)
Non cash Items		
Depreciation and amortisation	584,461	688,209
Share-based payments expense	143,488	111,734
Revaluation of property, plant and equipment	1,015,105	10,911
Net (gain)/loss on disposal of property, plant and equipment	(2,410)	57,805
	(8,881,555)	(3,685,933)
Movements in working capital, net of effects from purchase of controlled entities		
(Increase)/ Decrease in trade and other receivables	248,758	1,282,132
Increase/ (Decrease) in trade and other payables	(25,662)	(18,495)
Net cash inflow/(outflow) from operating activities	(8,658,459)	(2,422,296)

27. EARNINGS PER SHARE

(a) Reconciliation of earnings used in calculating earnings per share

	Consolidated Group	
	2015 $	2014 $
Profit or loss attributable to the ordinary equity holders of the Company used in calculating basic and diluted earnings per share	(10,622,199)	(4,554,592)

(b) Weighted average number of shares used as the denominator

	Consolidated Group	
	2015 $	2014 $
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	231,854,574	231,632,857
Weighted average number of dilutive options outstanding	2,000,000	2,000,000
Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS	233,854,574	231,632,857

All performance rights on issue are considered anti-dilutive and have not been included in the calculation of diluted earnings per share.

28. SHARE-BASED PAYMENTS

Director Options and the Employees and Contractors Option Plan

The Company provides benefits to employees and contractors of the Company in the form of share-based payment transactions, whereby employees and contractors render services in exchange for options to acquire ordinary shares.

Options granted carry no dividend or voting rights. When exercisable, each option is convertible into one ordinary share of the Company with full dividend and voting rights.

Set out below are summaries of the options granted:

	Consolidated Group			
	2015		2014	
	Number of options	Weighted average exercise price cents	Number of options	Weighted average exercise price cents
Outstanding at the beginning of the year	2,000,000	40.0	2,000,000	40.0
Granted	-	-	-	-
Forfeited/cancelled/expired	-	-	-	-
Exercised	-	-	-	-
Outstanding at year-end	2,000,000	40.0	2,000,000	40.0
Exercisable at year-end	2,000,000	40.0	2,000,000	40.0

The weighted average remaining contractual life of share options outstanding at the end of the financial year was 0.65 years (2014: 1.65 years), with exercise prices of 40 cents. No options were granted during this year.

Performance Rights

Market based vesting conditions were valued using a hybrid share option pricing model that simulates the share price of the Company as at the test date using a Monte-Carlo model. For non-market based vesting conditions no discount was made to the underlying valuation model.

		Consolidated Group		
Description	Grant date	Expiry date	Number of performance rights	Weighted average value cents
2015				
Nil	Nil	Nil	Nil	Nil
2014				
Peter Canterbury - Class A	14 November 2013	20 May 2015	2,000,000	4.6
(i) The Company's market capitalisation averaging over a period of 60 consecutive days of trading a daily avg. of not less than $38.97M; and (ii) Completing 12 months of continuous employment with the Company to 20 May 2014. These performance rights expired on the 20 May 2015.				
Peter Canterbury - Class B	14 November 2013	20 May 2016	2,000,000	4.3
(i) The Company's market capitalisation averaging over a period of 60 consecutive days of trading a daily avg. of not less than $54.56M; and (ii) Completing 24 months of continuous employment with the Company to 20 May 2015.				
Peter Canterbury - Class C	14 November 2013	20 May 2017	2,000,000	4.4
(i) The Company's market capitalisation averaging over a period of 60 consecutive days of trading a daily avg. of not less than $70.15M; and (ii) Completing 36 months of continuous employment with the Company to 20 May 2016.				
Employee - Class A	17 December 2013	31 July 2014	414,200	8.1
Rights subject to performance criteria prior to 30 June 2014. During the year, the first tranche of 414,200 performance rights were been converted to fully paid ordinary shares on 8 August 2014 following performances hurdles being achieved.				
Employee - Class B	17 December 2013	31 July 2015	348,800	8.4
Rights subject to performance criteria prior to 30 June 2015. Subsequent to year end 104,640 second tranche shares were converted to fully paid ordinary shares on 13 August 2015 following performances hurdles being achieved with the balance of 244,160 expiring.				
Employee - Class C	17 December 2013	31 July 2016	327,000	8.4
Rights subject to performance criteria prior to 30 June 2016.				

	Consolidated Group	
	2015 No.	2014 No.
Performance rights awarded to directors, employees & contractors	-	7,090,000

DIRECTORS' DECLARATION

In the opinions of the directors' of Bauxite Resources Limited (the "Company"):

(a) the financial statements and notes and the remuneration disclosures that are contained in the Directors' Report, are in accordance with the Corporations Act 2001, including:

- (i) complying with Australian Accounting Standards and the Corporations Regulations 2001; and
- (ii) giving a true and fair view of the Company's and the consolidated entity's financial position as at 30 June 2015 and of their performance for the financial year ended on that date;

(a) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;

(b) the Directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the chief executive officer and chief financial officer for the financial year ended 30 June 2015; and

(c) note 1 confirms that the financial statements also comply with the International Reporting Standards as issued by the International Accounting Standards Board.

(d) This declaration is made in accordance with a resolution of the directors.

Robert Nash
Chairman
Perth, 18 September 2015

INDEPENDENT AUDIT REPORT

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BAUXITE RESOURCES LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Bauxite Resources Limited, which comprises the consolidated statement of financial position as at 30 June 2015, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101: *Presentation of Financial Statements* that the financial statements comply with International Financial Reporting Standards (IFRS).

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Bauxite Resources Limited, would be in the same terms if provided to the directors as at the time of this auditor's report.

Auditor's Opinion

In our opinion:

a. the financial report of Bauxite Resources Limited is in accordance with the *Corporations Act 2001*, including:

   i. giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the year ended on that date; and

   ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Report on the Remuneration Report

We have audited the remuneration report as included in the Directors' Report for the year ended 30 June 2015. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with s 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion the remuneration report of Bauxite Resources Limited for the year ended 30 June 2015 complies with s 300A of the *Corporations Act 2001*.

MOORE STEPHENS

Suan-Lee Tan
Partner

Moore Stephens
Chartered Accountants

Signed at Perth this 18th day of September 2015

ASX ADDITIONAL INFORMATION

Additional information required by Australian Stock Exchange Ltd and not shown elsewhere in this report is as follows, the information is current as at 22 September 2015:

(a) Voting rights

All ordinary shares (whether fully paid or not) carry one vote per share without restriction.

(b) Distribution of equity securities

Analysis of numbers of equity security holders by size of holding:

	Ordinary shares	
	Number of holders	Number of shares
1 - 1,000	131	54,031
1,001 - 5,000	448	1,555,423
5,001 - 10,000	437	3,650,011
10,001 - 100,000	1,096	41,278,275
100,001 and over	189	185,464,596
	2,201	232,002,336
The number of equity security holders holding less than a marketable parcel (based on a 5.8 cents price) of securities are:	803	3,158,749

(c) Twenty largest shareholders

	Listed ordinary shares	
	Number of holders	Percentage of ordinary shares
1. HD Mining & Investments Pty ltd	19,700,000	8.49%
2. Yankuang Resources Pty Ltd	19,700,000	8.49%
3. Big Fish Nominees Pty Ltd	17,666,666	7.61%
4. Tailrain Pty Ltd (Childrens A/C)	17,016,667	7.33%
5. Jetosea Pty Ltd	14,061,440	6.06%
6. Dilkara Nominees Pty Ltd (Millwood Smith A/C)	12,216,667	5.27%
7. HSBC Custody Nominees Australia Ltd	7,999,299	3.45%
8. Citycorp Nominees Pty Ltd	5,122,160	2.21%
9. Prometheus Holdings Pty Ltd (Peter Carroll P/F)	3,807,077	1.64%
10. J P Morgan Nominees Australia Ltd	3,792,144	1.63%
11. ABN AMRO Clearing Sydney (Customer A/C)	2,898,180	1.25%
12. Angus Troy Christopher	2,200,000	0.95%
13. Dilkara Nominees Pty Ltd (BMS Super A/C)	2,000,000	0.86%
14. Romsup Pty Ltd (Romadak S/F A/C)	1,700,000	0.73%
15. Spectral Inv Pty Ltd (Lithgow Family A/C)	1,662,500	0.72%
16. Yuen Kwan Hung + Sze M C	1,651,900	0.71%
17. Rutten Jake John + D A (Jake Rutten Super)	1,200,000	0.52%
18. Custodial Services Ltd (Beneficiaries Holding)	1,100,200	0.47%
19. Keizer Dirk + Lena (Keizer Super A/C)	1,000,000	0.43%
20. Leong Debbie137,494,900	1,000,000	0.43%
	137,494,900	59.26%

(d) Substantial shareholders

The names of the substantial shareholders who have notified the Company in accordance with section 671B of the Corporations Act 2001 are:

	Number of shares
HD Mining & Investments Pty ltd	19,700,000
Yankuang Resources Pty Ltd	19,700,000
Big Fish Nominees Pty Ltd	17,666,666
Tailrain Pty Ltd (Childrens A/C)	17,016,667
Jetosea Pty Ltd	14,061,440
Dilkara Nominees Pty Ltd (Millwood Smith A/C)	12,216,667

(e) Unquoted options

	Number of holders	Number of securities listed
Options		
36 cents options expiring 22 February 2016 – John Sibly	1	2,000,000
Performance Rights		
Peter Canterbury Class B[1]	1	2,000,000
Peter Canterbury Class C[2]	1	2,000,000
Employee Class C[3]	5	327,000
	6	4,327,000

Notes:

(1) The Company's market capitalisation averaging over a period of 60 consecutive days of trading a daily average of not less than $54.56M; and completing 24 months of continuous employment with the Company to 20 May 2015,

(2) the Company's market capitalisation averaging over a period of 60 consecutive days of trading a daily average of not less than $70.15M; and completing 36 months of continuous employment with the Company to 20 May 2016.

(3) Rights subject to performance criteria prior to 30 June 2016 for rights vesting 31 July 2016.

(f) Schedule of interests in mining tenements

BRL TENEMENTS (100%)

BRL retain 100% interest in bauxite and other minerals on the following tenements

Tenement	Location
Darling Range Tenements (Granted)	
E70/3618	Popanyinning
E70/3652	Quanamining
E70/4342	Narrogin
E70/4586	Newdale
E70/4595	Carrabening Pool
E70/4619	Yarawindah
E70/4635	Ebanazer Flats
Darling Range Tenements (Application)	
E70/4300	Quindanning

BRL TENEMENTS (BAUXITE RIGHTS ONLY)

BRL retain 100% bauxite interest on the following tenements

Tenement	Location
Darling Range Tenements (Granted)	
E70/2230	Wundowie

HD MINING & INVESTMENTS JOINT VENTURE TENEMENTS

The JV requires HD Mining to fund 100% of all exploration and feasibility costs to earn up to 60% of the bauxite rights. HD Mining is currently working towards obtaining 40% interest in the bauxite rights on the tenements below. This will be triggered if HD Mining enters into a binding commitment to undertake a feasibility study on the tenements. Should HD Mining and BRL make a decision to mine, HD Mining will earn an additional 20% interest in bauxite rights. BRL maintains 100% interest in other minerals. At the date of this report BRL still has 100% interest in these tenements.

Tenement	Location
Darling Range Tenements (Granted)	
E70/3160	Toodyay
E70/3405	Victoria Plains
E70/3179	Congelin
E70/3180	Dattening
E70/3890	Wandering
Darling Range Tenements (Application)	
E70/3599	Goodenine Pool

YANKUANG JOINT VENTURE INTERESTS

Bauxite Resources Limited has 30% interest in the bauxite rights on the tenements below. BRL retain 100% interest in other minerals except for iron on tenement E70/3900. BRL retain 100% interest in other minerals on all other tenements below except E70/3366 and E70/3730.

Tenement	Location
Darling Range Tenements (Granted)	
E70/3366	Mackrin Hill
E70/3730	Bakers Hill
E70/3002	Berry Brow
E70/3007	Gillingarra
E70/3064	Bindoon
E70/3159	Jimperding
E70/3423	West Toodyay
E70/3598	Coolingoort
E70/3731	Bakers Hill
E70/3900	Jimperding Hill
E70/4021	Miwana
E70/4022	Boononging
E70/3651	Mt Talbot
E70/3488	Kokendin
E70/3565	Dinninup
E70/3573	Condinup
E70/3624	Mokup Hill
E70/3644	Moodiarrup

Tenement	Location
Darling Range Tenements (Application)	
E70/3206	Mt Gorrie
E70/3193	Beechina
E70/3528	Avon Valley
E70/3537	Bald Hill
E70/3707	Trig Road
E70/4010	Woorooloo
E70/4011	Keating Road
E70/3485	Taurus
E70/3205	Hotham
E70/3471	Boyup Brook
E70/3472	Mairdebring
E70/3486	Coodjatotine
E70/3746	Dryandra
E70/3102	Collie Road
E70/3194	Jarrahdale
E70/3195	Harvey
E70/3196	Dandalup
E70/3197	Pt Solid
E30/3204	Wugong

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