

BAUXITE RESOURCES LTD



**A new era in Australian
Bauxite-Alumina**

**Investor Presentation
May 2011**



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Disclaimer

Forward Looking Statements

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Company Profile



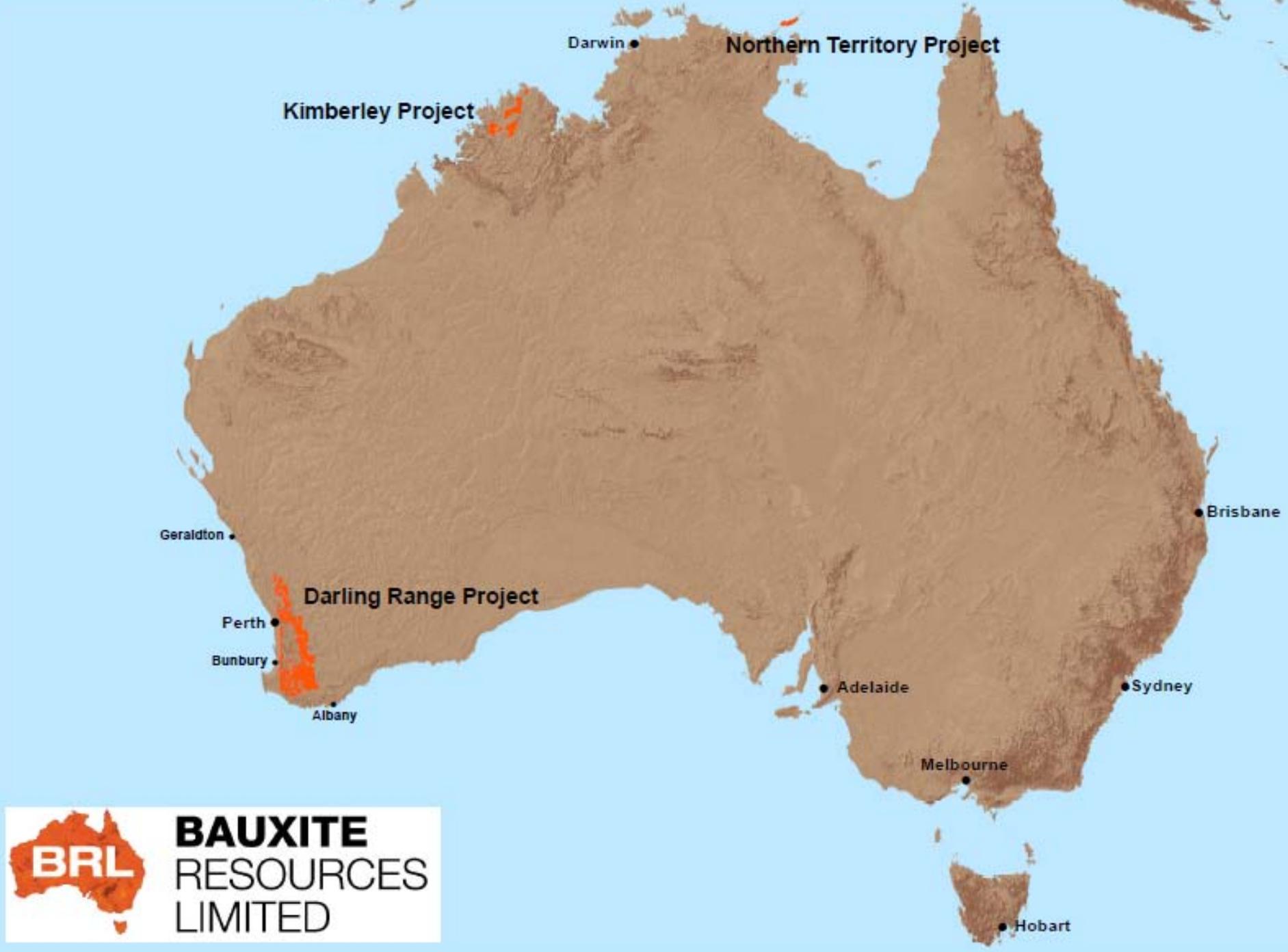
Stock Code: BAU

Ordinary	235m
Options	25m
Market Cap	\$55m (28/4/11)
Bank Debt	\$ 0
Current cash	\$42m (28/4/11)

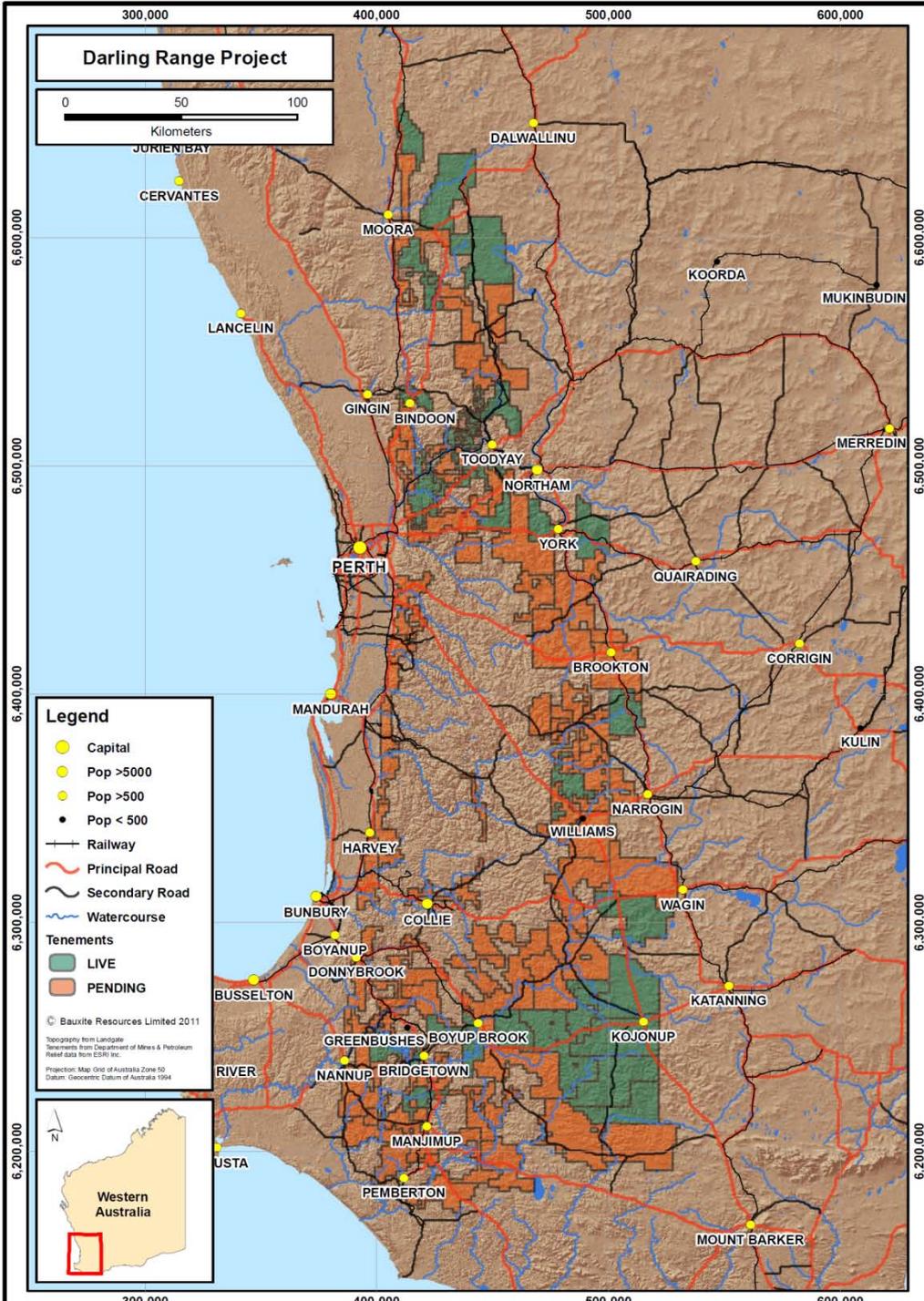
Scott Donaldson	CEO
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Paul Fromson	CFO & Company Secretary
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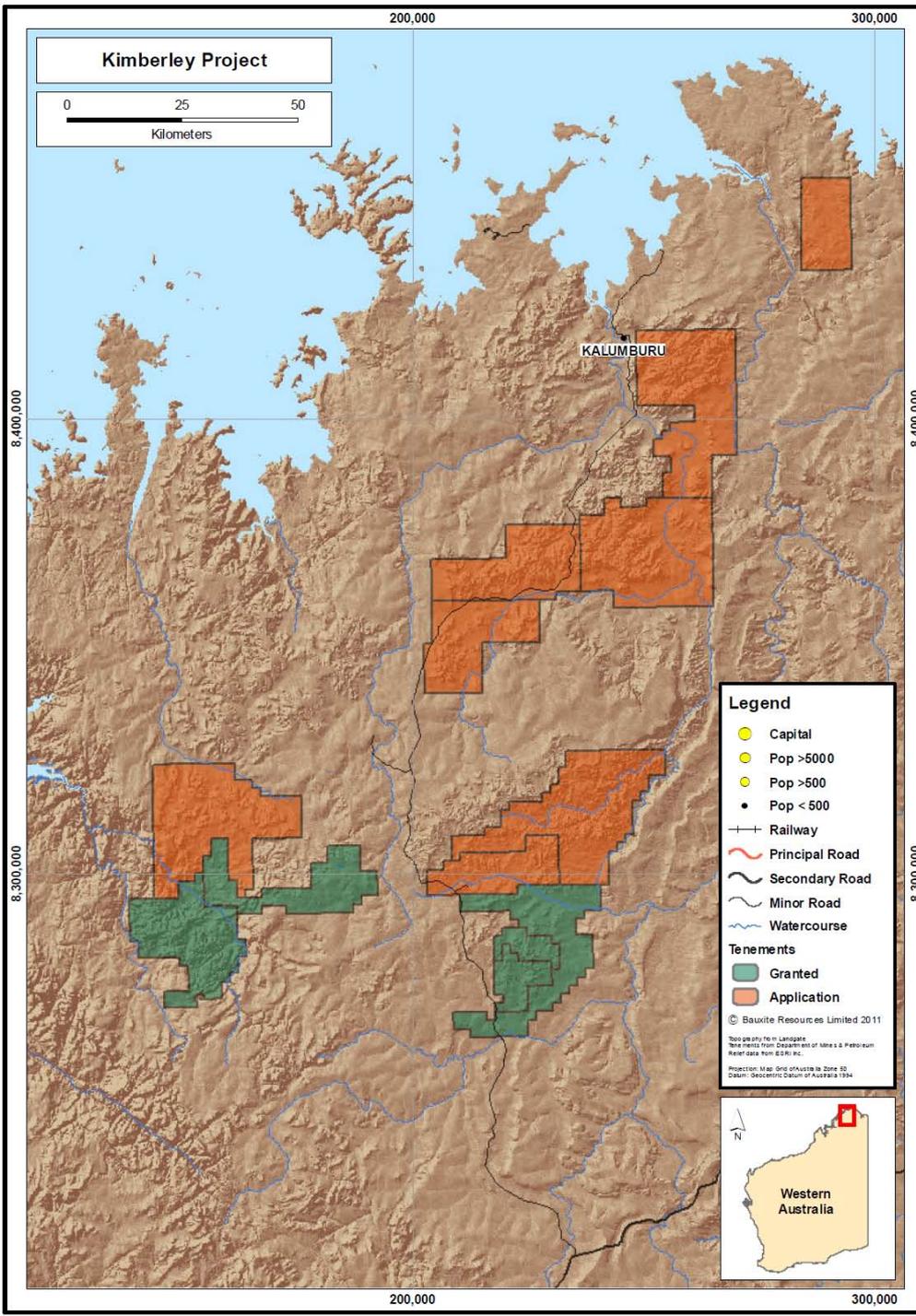


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Darling Range tenements (granted & under application)

- ~24,000 km² tenement area
- 39 ELs granted, 72 Pending
- 286 properties have signed agreements
- **JORC (Indicated & Inferred) Resource**
15.1 Mt @ 31.2% Al₂O₃ (Av), 3.9% SiO₂ (R)
- **Additional resources currently being modelled**



Kimberley tenements

- Recent grant of 5 exploration licences with a further 8 in application
- Seeking Joint Venture partners
- Cooperation with indigenous groups

Joint Ventures

Yankuang Corporation (YK)

- 23,000km² in Darling Range
- Resources and Refinery JV
- Bauxite rights only
- YK to refund previous BRL expenditure and fund 70% of future exploration costs to earn 70% bauxite rights
- YK to fund 90% of BFS costs and 91% of Refinery construction costs for 70% ownership of alumina product
- BRL retains marketing rights for 30% alumina product
- YK will purchase half of BRL's share of alumina output for 10 yrs & assist BRL to source finance



Bauxite Alumina
JOINT VENTURE



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Alumina Refinery Proposal

Yankuang Agreement

- Similar refineries have cost more than A\$1.5 billion (using per unit basis)
- YK will pay 90% of BFS, 91% of the refinery construction cost and receive 70% of the alumina product
- BRL will pay 9% of the refinery construction cost and will receive 30% of the alumina product
- Alumina off take agreement - YK to take 50% of BRL's 30% for 10yrs
 - BRL has 50% of 30% available for 10yrs
 - BRL has 100% of 30% available after 10yrs

Alumina Refinery Proposal

Yankuang Agreement

- Work towards site selection for the alumina refinery has commenced
- Bauxite Resource Joint Venture Pty Ltd will make consensus decisions under a joint management committee (i.e. shared control)
- Aim for refinery to be substantially commenced within 5 years subject to bankable feasibility study, site selection, environment and regulatory approvals
- 60MT resource – joint aspiration – 2011 CY
- 90MT resource – contractual target – 2013 CY
- BRL's CEO to be CEO of Joint Venture

***See note below.**

Note: targets only - no guarantee of success in exploration activity.



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Yankuang Group

- Total assets of AU\$18 billion
- Main businesses; Coal mining, coal-based chemicals, machinery manufacturing, electricity generation and aluminium
- Owns/Controlling stakes in 37 subsidiaries with a staff of 94,000. Coal Mining Company (Yan Coal) is listed on New York, Hong Kong and Shanghai stock exchanges. Coal output ~60 million tonnes p.a.
- 9 power stations with a capacity of 527MW; the largest power producer of its kind in China
- Smelter with capacity of 140,000 tpa of Al and 100,000 tpa of baked anode for aluminium production purposes. Fabrication plant designed to extrude 133,000 tpa of aluminium and cast 14,500 tpa of ingot each year
- Currently building worlds largest aluminium extrusion plant in China
- In Australia Yankuang through Yanzhou Coal owns Felix Resources



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Joint Ventures

Shandong No 1 Institute of Geology and Minerals Exploration (Shandong Bureau)

- 1,000km² in Darling Range
- Bauxite rights only
- Other mineral rights and joint venture opportunities in discussion
- Shandong to earn 60% bauxite ownership by funding 100% of exploration costs to successful completion of a BFS



Exploration

Shandong

- Shandong to cover 100% of exploration costs on 1,000km² for 60% share of bauxite resource
- JV to spend A\$3-\$5M per annum over next 3-5yrs

Yankuang

- Yankuang will cover 70% of exploration costs on ~23,000km² for 70% of bauxite rights
- JV expects to spend A\$10-12M pa over next 3-5yrs
- JV target >90MT of RGA by Sept 2013

BRL

- Expects to spend ~A\$3M pa on JV exploration for next 3yrs



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Mining Approvals and Operations

- Application for environmental approval for mining north of Bindoon is ongoing. EPA has set a PER level of assessment with public scoping
- This proposal is now part of the Bauxite Resource Joint Venture Pty Ltd
- Initial public consultation complete. PER document to be submitted March Qtr 2012 CY
- Up to 2MTPA of bauxite, gravel and other products for 5yr program

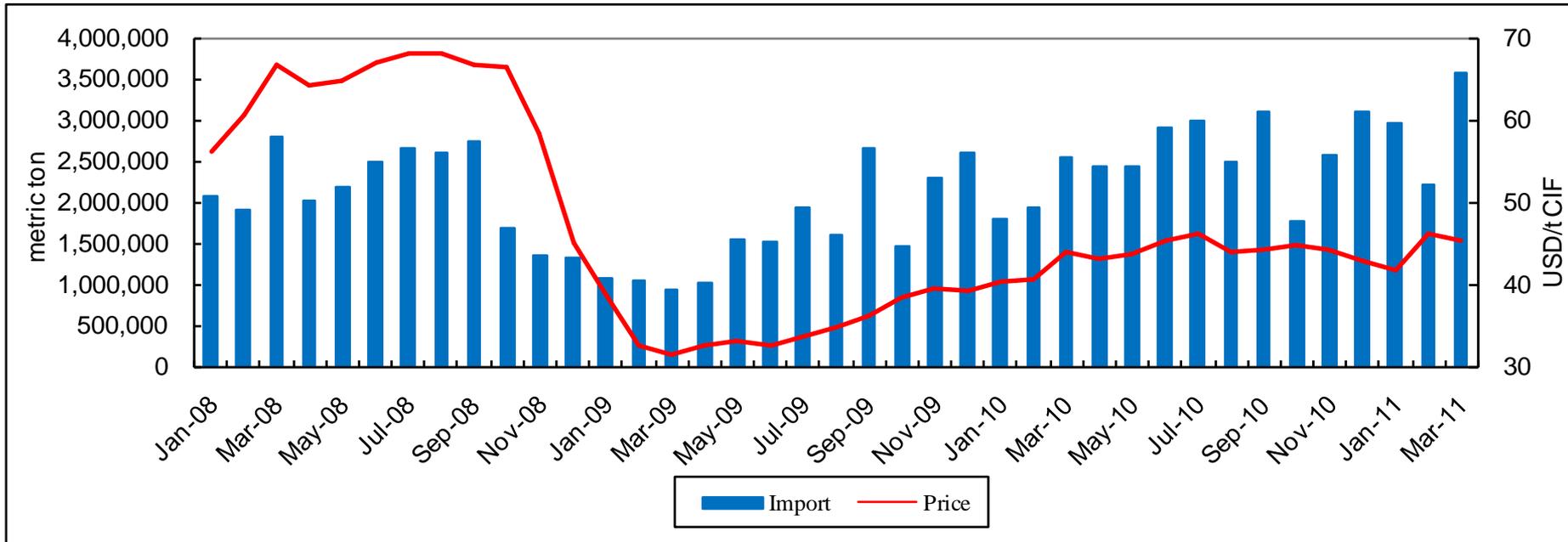
Bauxite Resources Cash Flow

- The Company has ~\$42M in cash and ~\$11M of assets
- With bank interest and Yankuang reimbursement on JV estimated cash outflow for planning purposes for the next year is \$1-2M
- For the 2 years after this the estimated outflow for planning purposes is \$2-4 million per annum
- YK to reimburse \$6.8 – 9M in next quarter



Chinese Bauxite prices

Chinese bauxite market recovering slowly post GFC

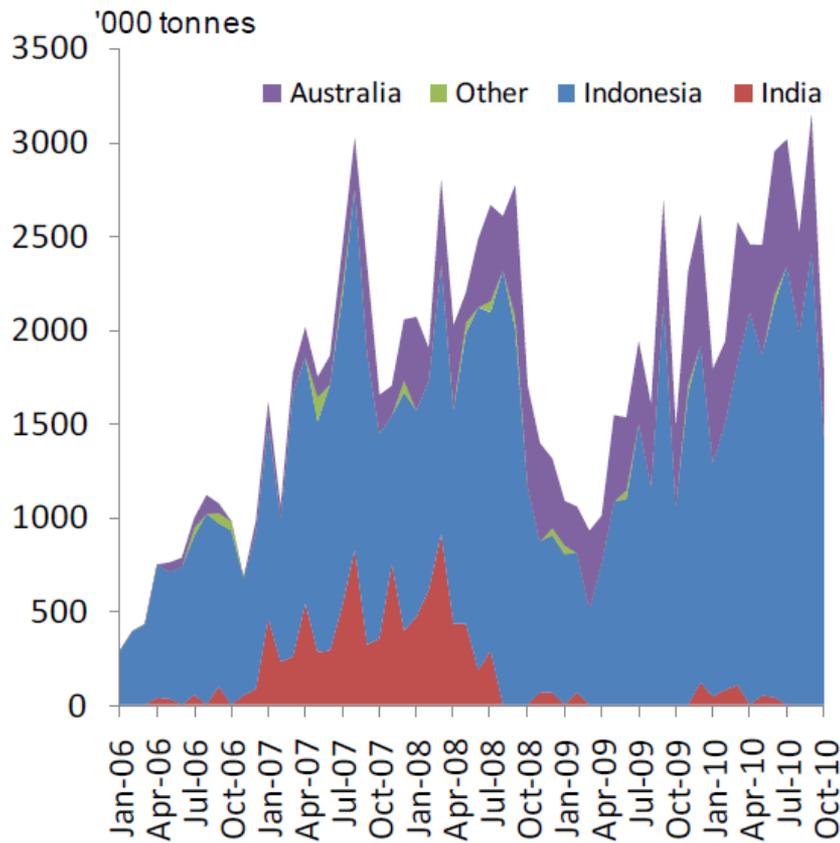


Chinese Bauxite Import and Prices (CIF to Chinese Ports)

Source: Antaika report, May 2011.

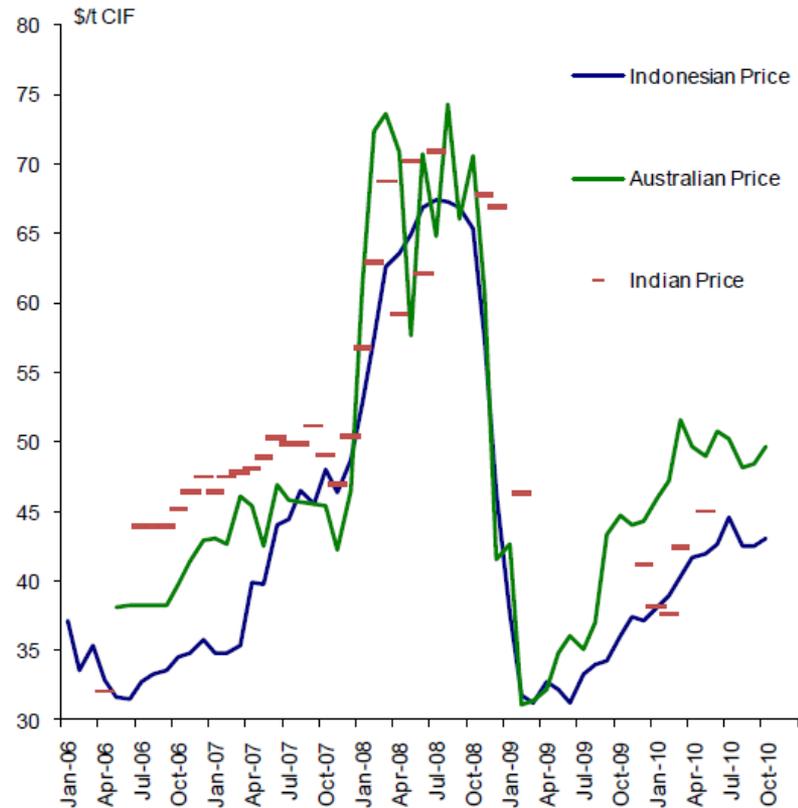
Chinese bauxite market

Chinese bauxite imports increased through 2010 (\$USD)



Data: CRU, GTIS

Chinese bauxite import prices



Data: CRU, GTIS

Chinese alumina market

China primary aluminium supply/demand balance (kt)

	2007	2008	2009	2010	Jan 2011 (e)	2011 (f)
Production	12,560	13,600	13,630	17,600	1,600	19,600
Net import	-260	-580	+1,430	-370	-13	-400
Supply	12,300	13,020	15,060	17,430 <i>(including SRB's sale)</i>	1,587	19,200
Consumption	12,000	12,700	13,800	17,490	1,580	19,000
Market balance	+300	+320	+1,260	-60	+7	+200

- China to build 10 million affordable housing units in 2011
- Chinese Auto sales up 13.8% in January 2011
- Chinese alumina spot price has remained steady for four months at 2,900y/t
- Chinese aluminium prices seen to advance with growing demand and rising costs

Source: Antaika Alumina & Aluminium Monthly March 2011

Aluminium market

- Aluminium prices in 2010-11 have been maintained in \$A terms despite large stocks and overcapacity
- Prices have moved from US\$1800/t in mid 2010 to US\$2772/t * with strong global demand forecast
- Alumina prices trend 14-18% of LME Al price
- Alumina producers looking to decouple from Al price

* Price Based on USD LME 3 mth Buyer 28th Apr 2011

Status

Cash in bank

At the end of the March quarter the company had \$44.6 million cash at bank. The company also had \$0.6 million in security bonds plus \$11.0 million in property, plant and equipment.

Status of IMF threatened litigation

On 28th June 2010 the Company advised ASX that it had received a single page facsimile notification from IMF indicating that it was seeking to fund a shareholder action against the Company. Since that time IMF have had no communication with the Company whatsoever and no proceedings have been lodged against the Company.

Summary

- Strong Cash Position
- Dual vision for future direct shipping bauxite (DSO) and/or Alumina Refinery
- Expect to fund ~\$150M for a 30% share of a ~\$1,500M Refinery
- Strong Management Team
- Refinery BFS to be completed by end of 2013 CY
- Refinery Scoping study Sept Qtr 2011
- Medium term cash flow via direct shipping is subject to regulatory approvals and bauxite prices

In accordance with the Australian Stock Exchange requirements, the technical information contained in this report has been reviewed by Mr. Peter Senini, Manager Resource Development. The information in the report to which this statement is attached that relates to Exploration Results and Mineral Resources is based on information reviewed by Mr. Senini, who is a Member of the Australasian Institute of Geoscientist. Mr. Senini 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 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves." Mr. Senini consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.



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North Darling Range exploration drilling March 2011