



BRL INCREASES GLOBAL BAUXITE RESOURCE BY 35% TO 33.4Mt

HIGHLIGHTS

- Global bauxite resource increased to 33.4Mt @ 41.1% Total Alumina, 30.2% Available Alumina and 3.9% Silica (R).
- Maiden Inferred Resources at Cardea (stages 1 & 2) of 6.4Mt @ 41.8% Total Alumina, 29.3% Available Alumina and 4.3% Silica (R), and;
- Maiden Inferred Resource at Minerva of 2.2Mt @ 38.7% Total Alumina, 28.9% Available Alumina and 3.9% Silica (R);
- Further maiden resources to be modelled at Pomona & Concordia;
- Further resource upgrade expected at Cardea Stage 3.

Perth-based bauxite explorer and developer, **Bauxite Resources Ltd (ASX: BAU)** ("**BRL**" or "**The Company**") is pleased to announce an update to the bauxite resource base in the North Darling Range area. Resource modelling has been completed on recent drilling undertaken on the Cardea prospect that has produced a Maiden Inferred Resource of 6.4Mt, with a further 2.2Mt Maiden Inferred Resource for the Minerva prospect.

The Minerva area comes under the Bauxite Resource Joint Venture with Yankuang Group ("**Yankuang**"), with Bauxite Resources retaining a 30% bauxite interest, while the Cardea prospect is subject to a Farm In and Joint Venture Agreement between Bauxite Resources and HD Mining & Investment Pty Ltd (Shandong Provincial Bureau of Geology and Mineral Resources) ("**Shandong**") where Shandong may earn up to a 60% interest at the completion of certain milestones. Resource modelling for Minerva and Cardea has been conducted by Snowden Mining Industry Consultants Pty Ltd, and all results supersede previous resources announced by the Company.

Stage 3 of the Cardea resource is currently being modelled and two additional prospects, Pomona and Concordia, have been identified. First pass drilling is complete on several properties within these new prospect areas and resource modelling is planned for the second half of calendar year 2011 once all results have been returned.

In conjunction with the refinery scoping study that is underway, the Company is reviewing all resources for various cut-off grades with the objective of optimising the quality of potential refinery feed and Direct Shipping Ore ("**DSO**") potential.

North Darling Range Global Resource

The Company continues to build on the robust resource base in the North Darling Range with this announcement of two additional resource areas. Drilling is ongoing across selected tenements within the 49 tenements granted to date in the Darling Range.



Table 1: Global Mineral Resource for the North Darling Range (August 2011)

JORC Classification	Dry tonnes ('000,000)	Total Al ₂ O ₃ (%)	Available Al ₂ O ₃ (%)	Reactive SiO ₂ (%)	Bauxite Rights BAU
Indicated	7.0	43.5	33.0	3.1	30%
Inferred	20.1	40.4	29.6	4.2	30%
Inferred	6.4	41.8	29.3	4.3	See note 2
Total (Ind. + Inf.)	33.4	41.1	30.2	3.9	

Note 1: Mineral Resources have been classified and reported in accordance with the JORC Code 2004

Note 2: Tenement E70/3160 is part of Bauxite Resources Agreement with HD Mining whereby HD Mining can earn a 60% interest.

Cardea Resource

The Cardea deposit is located in an area west of Toodyay in the Darling Range region of Western Australia. Not previously reported, the resource is based on first pass drilling conducted by the Company on tenement E70/3160.

Table 2: Details of the Cardea Mineral Resource (August 2011) – Stages 1 & 2

JORC Classification	Dry tonnes ('000,000)	Total Al ₂ O ₃ (%)	Available Al ₂ O ₃ (%)	Reactive SiO ₂ (%)	BAU Bauxite Rights
Inferred	6.4	41.8	29.3	4.3	See note 2

Note 1: 25% Available Al₂O₃ cut off grade and dry density of 1.6 used

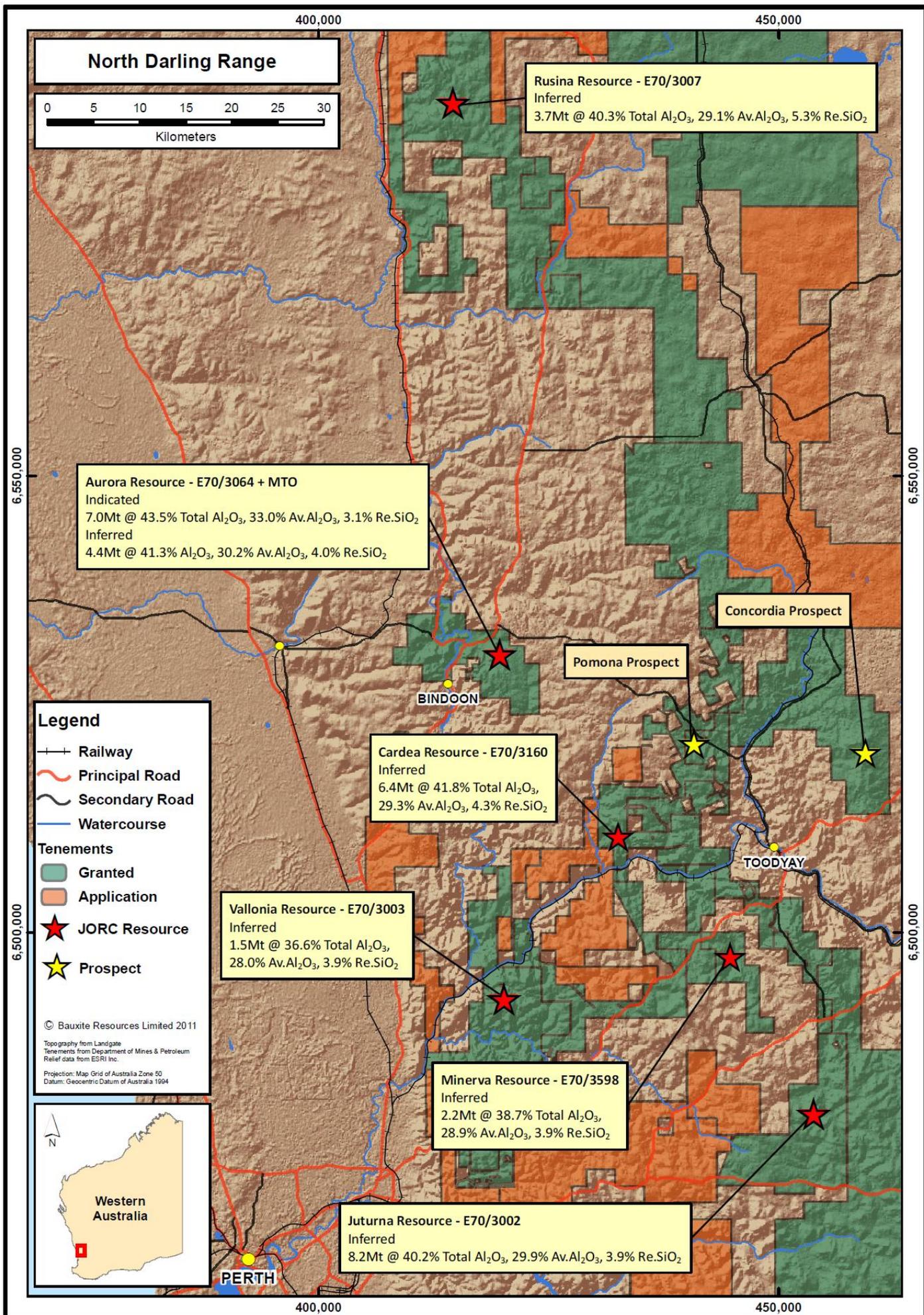
Note 2: Tenement E70/3160 is part of Bauxite Resources Agreement with HD Mining whereby HD Mining can earn a 60% interest.

The majority of the Cardea resource has been defined with drilling at 80m x 80m spacing. The next step in advancing the classification of this resource will be the design and implementation of a second phase drilling program to reduce the spacing down to 40m x 40m within the mineralised zones. Several bulk samples have been taken across the resource to assist in verification of drilling results, validity of geological domains and better definition of the geo-metallurgical characteristics of the ore body.

Modelling of Stage 3 is proposed to commence within the next month, as results from recent drilling are returned. Some of the significant intercepts within the Cardea Stage 3 drill program are listed below in Table 3;

Table 3: Significant intercepts from vacuum drilling at Cardea Stage 3

Hole ID	Length	Total Al ₂ O ₃ (%)	Available Al ₂ O ₃ (%)	Reactive SiO ₂ (%)	Depth From (m)
HSV0272	5m	47.2	41.0	1.6	1.5
HSV0264	4.5m	49.7	39.6	2.6	2.0
HSV0232	5.5m	49.4	38.0	1.8	2.0
HSV0231	5.5m	52.3	37.5	1.7	1.5
HSV0220	6m	50.3	33.1	1.2	2.0
HSV0246	4.5m	44.3	38.0	0.7	2.0
HSV0251	3m	46.0	37.6	5.4	1.0
HSV0264	4.5m	49.7	39.6	2.6	2.0
HSV0111	2m	42.2	35.1	2.7	2.0
HSV0244	3.5m	46.8	40.3	2.0	1.5





Minerva Resource

The Minerva deposit is located in a region south west of Toodyay in Western Australia. Previously reported as Areas 3 and 18 by CSR in their Muchea Alumina Project report of 1975, this resource update is based on drilling undertaken by Bauxite Resources within the past 12 months on tenement E70/3598.

Table 4: Details of the Minerva Mineral Resource (August 2011)

JORC Classification	Dry tonnes ('000,000)	Total Al ₂ O ₃ (%)	Available Al ₂ O ₃ (%)	Reactive SiO ₂ (%)	BAU Bauxite Rights
Inferred	2.2	38.7	28.9	3.9	30%

Note: 25% Available Al₂O₃ cut off grade and dry density of 1.6 used

Previous resources reported for Areas 3 and 18 were based on historical drilling conducted by companies exploring the region in the 1960s and 70s. The reported resource covered a large area across several tenements that were pending at the time. The Company has since had some of this tenure granted and has drilled several properties in the central area of E70/3598. As such, this resource update supersedes all previously reported resources for this area.

Resource modelling has been completed on the first stage of drilling on the Minerva Prospect, and with further drilling continuing, additional resources are expected to be announced in the first half of calendar year 2012. This area to the west of Toodyay continues to show significant potential and is the focus of much of the Company's ongoing exploration drilling in the northern tenements over the next 2 to 3 months.

The above available alumina values represent the amount of alumina that may be extracted through standard low temperature Bayer Process refining. Further work is also underway to determine the amenability to higher temperature digestion. This method of processing bauxite is known to increase the amount of alumina that is available and still has a relatively low technical risk as it is commonly used elsewhere in the world. Early results at the Minerva Prospect indicate there is significant potential to increase the amount of available alumina and improve the quality of bauxite both for DSO or refinery feed, through the application of beneficiation techniques currently being investigated by BRL and the Bauxite Alumina Joint Ventures ("BAJV") companies. This may also increase the resource available through the inclusion of marginal or sub-economic material in the resource.

Previously Reported Resources

The above resources defined at Cardea and Minerva are in addition to the previously reported resources at the Aurora, Rusina, Juturna and Vallonia bauxite deposits.

Table 5: Details of the Aurora, Rusina, Juturna and Vallonia Mineral Resources (April and June 2011)

Resource	JORC Classification	Dry tonnes ('000,000)	Total Al ₂ O ₃ (%)	Available Al ₂ O ₃ (%)	Reactive SiO ₂ (%)	BAU Bauxite Rights
Aurora	Indicated	7.0	43.5	33.0	3.1	30%
Aurora	Inferred	4.4	41.3	30.2	4.0	30%
Rusina	Inferred	3.7	40.3	29.1	5.3	30%
Juturna	Inferred	8.2	40.2	29.9	3.9	30%
Vallonia	Inferred	1.5	36.6	28.0	3.9	30%
Combined	Total (Ind. + Inf.)	24.8	41.1	30.6	3.9	30%

Note: 25% Available Al₂O₃ cut off grade and dry density of 1.6 used

Results are currently being returned for infill drilling at Aurora. This program of drilling was designed to allow further conversion of the Inferred resource at Aurora to Indicated status. The majority of results for the second phase of drilling at Rusina have also been received. This will not only facilitate improved definition within the existing resource but also has the potential to expand the lateral extent of the mineralised zone. Remodelling of both resources will be completed once all results have been returned and are expected to be finalised in the March quarter of 2012.



Pomona Prospect

Drilling has recently been completed on the first two stages of the Pomona prospect. The drilling programs intersected thicknesses of laterite in excess of 8m in several holes. Initial XRF results have been returned for more than 2,400m of drilling across 415 holes. Bauxite Resources is currently awaiting available alumina and reactive silica results from Bomb analyses. Modelling is scheduled to commence in the December quarter of 2011.

Concordia Prospect

A large drill program across the Concordia prospect was undertaken in early 2011. More than 5,300m of drilling was completed and although bauxitic intersections tended to be relatively shallow, the extent of lateritisation is very broad. Approximately half of the initial XRF results have been received with the remainder expected over the coming months along with Bomb analysis results for available alumina and reactive silica. Resource modelling of the Concordia prospect is anticipated to happen late in the calendar year 2011.

For further information visit www.bauxiteresources.com.au or contact:

INVESTORS

Bauxite Resources Limited

Scott Donaldson
Chief Executive Officer
Tel: +61 8 9200 6300

MEDIA

Bauxite Resources Ltd

Paul Fromson
Chief Financial Officer
Tel: +61 8 9200 6302

Sampling Techniques and Data

Drill sample recovery	Bauxite Resources geologists monitor sample recovery from vacuum drilling by weighing and tracking the mass of recovered sample cuttings. Poor recovery can occur due to cavities, partial blockages of the samples hose and wet samples. Recovery is generally high for the data input into the resource estimates. For diamond-core drilling the core recovery is established by measurement of the recovered core. Triple-tube diamond drilling is used to maximise recovery and where recovery is poor through target zones of resource, the holes are abandoned and re-drilled nearby until acceptable recovery is achieved.
Logging	Bauxite Resources geologists log the vacuum samples in 0.5-metre down-hole increments. Regular chip-tray samples are collected as permanent physical records for audit and validation purposes. Diamond core samples are logged and photographed in core trays. Data is captured in digital core loggers. All logging data is captured in digital logging devices to ensure consistency of coding and minimise data entry errors.
Sub-sampling techniques and sample preparation	The vacuum samples for each 0.5 metres of drilling are split once through a riffle splitter and collected into a calico bag at the drill site. If there is any chance that contamination or bias may occur through wet or sticky samples, then the whole sample is collected. The majority of diamond core is collected whole in 0.25 metre interval into a calico bag. The whole core is broken with a brick chisel or collected by hand in unconsolidated material. Selected intervals of bauxite mineralisation are collected in longer intervals and despatched for bulk density measurements.
Quality of assay data and laboratory tests	The majority of Bauxite Resources samples were analysed at Nagrom Laboratory in Perth with some earlier samples analysed at Ultra Trace Laboratory in Perth. Bauxite Resources documentation describes the analysis of samples by a number of ISO standards methodologies (6140:1991, 9516:2003, 12677:2003, 6606:1986, ISO 6607:1985, 10213:10213, 6994:1986, 6995:1985, 6606:1986; 8557:1985). These analyses provided estimates of principal bauxite components of alumina, silica, iron, titania, and loss on ignition, and a suite of trace elements. Results reported by Bauxite Resources as available alumina and reactive silica represent partial extractions. Bauxite Resources documentation describes the in-laboratory quality control methods which include the use of four matrix match standards, and determination of precision and accuracy according to ISO standards. The company also include a high-grade and a low-grade, in-house (uncertified), standard as blind-standards in the field sample stream at a 1:200 ratio. Bauxite Resources also collect duplicate samples and include blank samples in the field sample stream.
Location of data points	Drillhole collar surveys are based on WA's Department of Land and Administration survey marks for control and using differential GPS equipment to locate the drill collars within an precision of ± 0.05 metres. Topographic data used for the Mineral Resource areas is a combination of GEODATA TOPO 250K Series 3 and Landgate Medium-scale Topographic Database data. Bauxite Resources did not survey the hole paths of any of the drilling because all holes are short and any deviation errors are not significant relative the average drill-hole spacing used to defined the Mineral Resources.
Data spacing and distribution	Bauxite Resources has drilled a variety of data collar spacings ranging from wide spaced first pass drilling on a 160-metre square grid, to broader coverage on an 80-metre square grid. All vertical sampling is on a 0.5-metre interval, either raw or composited.
Orientation of data in relation to geological structure	All data points for the resource estimate are vertical strings originating at the topography.



Estimation and Reporting of Mineral Resources

Database integrity	The Bauxite Resources drilling data is hosted by an external provider (rOREdata Pty Ltd) in the acquire database system, which is designed to capture, store and verify geological drilling data. Data collected in field loggers is transferred to the database via text files as is data from the laboratory. rOREdata provide reports to the company regarding basic integrity validation of the data such as overlapping records, missing assays and duplicate drillhole identifiers.
Geological interpretation	For both Cardea and Minerva, geological wireframes were constructed to represent the major zones within the laterite profile. The overlying gravel zone and underlying clay zone are assumed to be outside of the main mineralised envelope, which is defined by the hardcap, bauxite and transitional zones. Each zone has been estimated individually in each model.
Dimensions	At Cardea, the area of mineralisation occurs within a series of geological zones which extend over a 2.8km strike length and 10 km width. The area is extended to a known depth of 9 m from the surface. The thickness of the individual zones ranges from less than 1 m up to 6 m.
Estimation and modelling techniques	Both Cardea and Minerva were estimated using three dimensional block modelling within the interpreted mineralised zones of hardcap, bauxite and transitional. Block grades for alumina, silica, available alumina and reactive silica were estimated using ordinary kriging within the discrete geological zones. Some available alumina and reactive silica grades outside of the main ore zone were not assayed and were populated using a multiple linear regression from the estimated alumina and silica block grades. These values were then merged with assayed values to provide a complete data set for estimation purposes. The models were validated by visual comparison of input data and output block estimated grades, and comparison of input and output means. An internal peer review process confirmed correct application of estimation parameters in the estimation processes.
Moisture	Mineral Resource tonnages are reported as dry metric tonnes with an assumed dry density of 1.6 tonnes per cubic metre. Available test data indicates the dry density is in the order of 1.6 tonnes per cubic metre with wet density in the order of 1.7, which implies an in situ moisture content of 0.1 tonnes per cubic metre (6 to 7 percent moisture).
Cut-off parameters	The cut-off grade applied to both Cardea and Minerva is a nominal 25 percent available alumina threshold derived from data measurements and/or regression estimates.
Mining factors and assumptions	Bauxite Resources and Snowden have assumed that mining of the deposit will be via truck and shovel configuration and that there will be good visual control to establish the top and base of bauxite during mining. There has been no minimum mining thickness assumed.
Metallurgical assumptions	At both Aurora and Rusina, the available alumina grades exceed the stated Bauxite Resources target grade. Reactive silica is below the four to five dry-weight percent that is implied to have a significant negative effect on Bayer-process reagent consumption. The company is carrying out studies to assess the degree to which high-silica Mineral Resources such as at Rusina, can be positively affected by application of beneficiation techniques. Low-silica sources within the deposits could also be blended with higher silica resources to produce acceptable process products.
Bulk density	A dry bulk density of 1.6 tonnes per cubic metre has been used in both the Cardea and Minerva estimates.
Classification	Bauxite Resources has classified the Mineral Resource estimates primarily on the basis of collar spacing with adjustments for data quality where considered appropriate. The Bauxite Resources Competent Person has reviewed and agrees with this approach. The Aurora estimate has been classified as Indicated Mineral Resource where the collar spacing is 40 metres square or less and Inferred Mineral Resource elsewhere.
Audits and reviews	The mineral resource estimates have been peer reviewed by Snowden and by Bauxite Resources' Competent Person. No external fully independent audits or reviews have been completed.
Discussion of relative accuracy/ confidence.	No uncertainty studies have been carried out to establish the local confidence and accuracy of the Mineral Resource estimates.

COMPETENT PERSON STATEMENT

In accordance with the Australian Stock Exchange requirements, the technical information contained in this report has been reviewed by Mr. Peter Senini, an employee of the company. The information in the report to which this statement is attached that relates to Mineral Resources is based on information reviewed by Mr. Senini, who is a Member of the Australian Institute of Geoscientists. 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.