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June 29, 2009

Symbol: FBX: TSX – V

NEWS RELEASE

FIRST BAUXITE CORPORATION CLOSES PHASE 1 FINANCING WITH PACIFIC ROAD RESOURCES FUNDS TO FUND PRE-FEASIBILITY STUDY AT BONASIKA MINING LICENCE, GUYANA

Vancouver, B.C. – FIRST BAUXITE CORP. (“First Bauxite” or the “Company”)

Phase 1 Financing – Principal Terms of Closing

First Bauxite and the Pacific Road Resources Funds (the “Subscribers”) are pleased to announce that, further to the June 4, 2009 joint news release, they have closed Phase 1 (the “Phase 1 Financing”) of a two phase financing, pursuant to a note purchase agreement for gross proceeds of C\$8 million to the Company. On the closing: (i) gross proceeds of C\$3 million were paid to the Company in exchange for the issuance of convertible notes in the aggregate principal amount of C\$3 million; and (ii) gross proceeds of C\$5 million (the “Escrowed Proceeds”) and convertible notes in the aggregate principal amount of C\$5 million (the “Escrowed Notes”) were placed in escrow. Once the Subscribers have obtained, at their own cost, an independent study of the bauxite market, and certain other conditions are satisfied, the Escrowed Proceeds will be released to the Company and the Escrowed Notes will be issued and delivered to the Subscribers. If the independent study is not obtained by the Subscribers on or before September 30, 2009, the Escrowed Notes will not be issued and the Escrowed Proceeds will be returned to the Subscribers.

The notes are unsecured, bear no interest, and are convertible into common shares of the Company for a period of five years from the closing of the Phase 1 Financing at a conversion price of C\$0.83. If the entire C\$8 million principal amount of notes is converted, the Company will issue 9,638,555 common shares to the Subscribers, representing approximately 16.7% of the common shares on a fully-diluted basis. The Subscribers purchased the securities for investment purposes and may or may not purchase or sell securities of the Company in the future on the open market or in private transactions, depending on market conditions and other factors.

Management Fee

In connection with the closing of the Phase 1 Financing, the Company has agreed to pay to Pacific Road Capital Management Pty Ltd (“PRCM”), manager and advisor to the Subscribers, a management fee in the amount of \$300,000, which amount represents 3.75% of the gross proceeds of the Phase 1 Financing, of which \$112,500 has been paid and the balance of which will be paid when the Escrowed Proceeds are released from escrow.

Finders Fees

The Company has agreed to pay finders fees (the “Finders’ Fees”) to certain finders (the “Finders”) in the aggregate amount of \$315,000 which amount represents 3.75% of the gross proceeds of the Phase 1 Financing, of which \$118,125 has been paid and the balance of which will be paid when the Escrowed Proceeds are released from escrow. The Company has further agreed to issue to the Finders an aggregate of 674,699 warrants (the “Finders’ Warrants”), which amount is equal to 7% of the number of common shares issuable upon conversion of the Phase 1 Financing notes, of which 253,012 Finders’ Warrants have been issued and the balance of which will be issued when the Escrowed Proceeds are released from escrow. Each Finders’ Warrant entitles the holder thereof to purchase one common share at an exercise price of C\$0.83 for a two year period from the closing, or the release of the Escrowed Proceeds from escrow, as applicable.

The convertible notes that were issued to the Subscribers in the aggregate principal amount of C\$3 million and the 253,012 Finders’ Warrants that have been issued to the Finders are subject to a four-month hold period expiring on October 27, 2009.

Use of Funds

The funds will be used primarily to fund a pre-feasibility study on the Bonasika Mining Licence in Guyana, the purchase of a drill rig and additional drilling on its Bonasika and Waratilla-Cartwright bauxite licences in Guyana, and upon receipt of a positive pre-feasibility study, to fund development and construction of a mine and processing facilities for the high-alumina refractory grade bauxite deposits within the Company’s mining licences. Upon completion of a positive pre-feasibility study, the Subscribers will have an option to make an additional US\$20 million investment on the same terms as the Phase 1 Financing, subject to a conversion price as described in the June 4, 2009 press release.

Change of Directors

In connection with the closing of the Phase 1 Financing, the Board of Directors of the Company appointed Lee Graber, a nominee of the Subscribers, to the Board. Egil Livgard and William Schmidt resigned as directors of the Company. Yannis Tsitos, President of First Bauxite stated: *“William Schmidt and Egil Livgard have been valuable members and Directors of First Bauxite since its inception. On behalf of the Board, I would like to thank both for their contribution to the Company and wish them well in their future. At the same time, I would like to welcome Mr. Lee Graber to our Board. Mr. Graber brings great strengths to First Bauxite Corporation. His understanding of the global mining industry, his experience in advanced projects and his detailed knowledge in business development are assets that will bring us closer to achieving our Company’s goals.”*

Lee Graber's Brief Biography

Mr Lee Graber has over 30 years relevant experience in the mining industry, including 23 years with Homestake Mining Company. As Vice President, responsible for Corporate Development, Lee initiated, managed and closed 55 major acquisition and divestment transactions totalling US\$9.2 billion. Subsequent to Homestake, Lee served as Managing Director, Mergers and Acquisitions for Endeavour Financial Ltd in Vancouver advising junior resource companies, he consulted for clients developing non-metallic mineral deposits and served as a Director of resource companies in Thailand, West Africa, Russia and Canada.

Shareholder Approval

As disclosed in the Company's June 4, 2009 news release, for purposes of the policies of the TSX Venture Exchange (the "TSXV"), the Subscribers may, as a result of this Phase 1 Financing and the issuance of additional securities to the Subscribers pursuant to Phase 2 or otherwise, become a new "control person" (holding more than 20% of the issued and outstanding voting shares) of the Company. Accordingly, the Company obtained shareholder approval of the proposed transaction, and for the Subscribers to become a control person, by obtaining written consents of shareholders holding approximately 58% of the current issued and outstanding shares of the Company.

About First Bauxite and Bonasika Mining Licence

First Bauxite Corporation (FBX: TSX-V) is a Canadian natural resources company engaged in the exploration and development of bauxite deposits, through resource discovery and mining within a niche industrial market. The company has its head-office in Vancouver and its current assets in Guyana, South America and is managed by experienced geoscientists and business development professionals with world-wide experience in the exploration and mining business across a number of mineral commodities. The mission of First Bauxite is to become a near term, medium size producer and supplier of high quality refractory grade calcined bauxite. First Bauxite controls a large land package in Guyana's historical coastal bauxite belt, including the Bonasika Mining Licence, covering deposits which were drilled in 1940's-60's by ALCAN and which host near surface deposits of refractory grade bauxite. The Company is currently drilling the deposits to outline the resources and to upgrade the historical reserves to NI 43-101 compliance. The Company also has initiated a pre-feasibility study to analyze the technical and economic parameters of an independent mining and processing operation. First Bauxite has additional upside potential to the metallurgical bauxite business, through an option agreement with Rio Tinto Alcan, whereby Rio can earn up to 75% interest in FBX's exploration ground by expending up to US\$58 million in stages. For further information on First Bauxite Corporation, please visit our corporate website at www.firstbauxite.com.

About Pacific Road Resources Funds and Pacific Road Capital Management Pty Limited

The Pacific Road Resources Funds are private equity funds investing in the global mining industry. They provide expansion and buyout capital for mining projects, mining related infrastructure and mining services businesses located throughout resource-rich regions of the world. The Pacific Road Resources Funds are managed and advised by Pacific Road Capital Management Pty Ltd ("PRCM"). The PRCM team, located in Sydney, Australia, San Francisco and New York, USA, is comprised of experienced mining investment professionals that have extensive knowledge and experience in the mining and infrastructure sectors, including considerable operating, project development, transactional and investment banking experience.

For further information on the Pacific Road Resources Funds and PRCM, please go to their website at www.pacroad.com.au.

On behalf of The Board of Directors of First Bauxite Corporation

Ioannis (Yannis) Tsitos
President & Director

Hilbert N. Shields
CEO & Director

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Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.