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July 24, 2009

Symbol: FBX: TSX – V

NEWS RELEASE

FIRST BAUXITE CORPORATION AND PACIFIC ROAD RESOURCES FUNDS CLOSE FINANCING AND RELEASE \$5,000,000 TO FUND PRE-FEASIBILITY STUDY AT FIRST BAUXITE'S BONASIKA MINING LICENCE, GUYANA

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

Escrow Release Financing – Principal Terms of Closing

First Bauxite and the Pacific Road Resources Funds (the “Subscribers”) are pleased to announce that, further to the June 29, 2009 joint news release, they have closed the escrow portion and released \$C5 million of gross proceeds (the “Escrow Release Closing”) concluding the first phase of a two phase financing. On the Escrow Release Closing, the Escrowed Proceeds were released from escrow to the Company in exchange for the release from escrow and the issuance and delivery of convertible notes in the aggregate principal amount of C\$5 million (the “Escrowed Notes”) to the Subscribers.

The Escrowed Notes are unsecured, bear no interest, and are convertible into common shares of the Company for a period of five years from the Escrow Release Closing at a conversion price of C\$0.83. If the entire C\$5 million principal amount of the Escrowed Notes is converted, the Company will issue 6,024,096 common shares to the Subscribers, representing approximately 10.6% of the common shares on a fully-diluted basis. Including the C\$3 million principal amount of convertible notes acquired by the Subscribers on June 26, 2009, the Subscribers now hold C\$8 million principal amount of convertible notes which, if converted, would result in the Company issuing 9,638,554 common shares to the Subscribers, representing approximately 16.7% of the common shares on a fully-diluted basis. The Subscribers purchased the securities on a private placement basis 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 Escrow Release Closing, the Company paid to Pacific Road Capital Management Pty Ltd, manager and advisor to the Subscribers, a management fee in the amount of \$187,500.

Finders' Fees

The Company also agreed to pay finders fees (the "Finders' Fees") to certain finders (the "Finders") in connection with the Escrow Release Closing, in the aggregate amount of \$194,375, which amount represents 3.75% of the gross proceeds of the Escrow Release Closing. The Company further agreed to issue to the Finders an aggregate of 421,687 warrants (the "Finders' Warrants"), which amount is equal to 7% of the number of common shares issuable upon conversion of the Escrowed Notes in connection with the Escrow Release Closing. 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 Escrow Release Closing.

The Escrowed Notes and the Finders' Warrants that have been issued to the Finders are subject to a four-month hold period expiring on November 24, 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.

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 exploration and development assets in Guyana, South America. The Company is managed by experienced geoscientists and business development professionals with world-wide multi commodity experience in the exploration and mining business. 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 on its concessions. 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

This document contains certain forward looking statements which involve known and unknown risks, delays, and uncertainties not under the Company’s control which may cause actual results, performance or achievements of the Company to be materially different from the results, performance or expectation implied by these forward looking statements.

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.