



December 22, 2011

Symbol: TSX-V: FBX
FWB/BER: FBI

NEWS RELEASE

FIRST BAUXITE CORPORATION ANNOUNCES SIGNING LETTER OF INTENT TO ENTER INTO ITS FIRST SINTERED BAUXITE SUPPLY OFF-TAKE AGREEMENT

First Bauxite Corporation (“First Bauxite” or the “Company”) is pleased to announce that it has signed a Letter of Intent (“LOI”) to enter into its first Sintered Bauxite Supply Off-Take Agreement (“Off-Take Agreement”) with a global refractory products manufacturer (the “Customer”). The LOI commits both the Company and the Customer to conclude a multi-year Off-Take Agreement within six months from the date of signing based on terms which have been set out in the LOI. The LOI reflects the recognition by the Customer that FBX is in the process of securing “Bankable” Off-Take Agreements to underpin the debt component of its project financing plan.

“The Customer is a leading producer of shaped and monolithic refractories and a significant purchaser of refractory bauxite” stated Hilbert N. Shields, President and CEO. “The Customer’s strategic interest in becoming First Bauxite’s inaugural consumer is gratifying in that it further validates the high quality of First Bauxite’s expected Guysin® product from a prominent end-user of refractory bauxite.”

First Bauxite has received feedback from a number of potential customers on all continents who are end users of the Company’s Guysin® product and to whom “lab-scale” manufactured Guysin® samples were distributed for qualifying in their own test facilities. The responses have been very positive and have generated requests for larger samples that can be integrated and “works tested” in their benchmarked product lines.

Mr. Ioannis (Yannis) Tsitos, Interim Chairman, commented “The execution of this first LOI represents an important step towards securing project financing to bring the Bonasika refractory bauxite mine into production. Along with the recently announced Bankable Feasibility Study Update, receipt of the Environmental Permit, and the signing of the Mineral Agreement in Guyana, the conversion of market interest in Guysin® into a Sintered Bauxite Supply Off-Take Agreements is a significant milestone in enabling First Bauxite to develop this world-class project.”

About First Bauxite

First Bauxite Corporation (TSX-V: FBX) is a Canadian natural resource company engaged in the exploration and development of bauxite deposits in Guyana, South America. The Company has its head office in Toronto and is managed by experienced geoscientists and business development professionals with worldwide 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 sintered (calcined) bauxite. First Bauxite controls a large land package in Guyana’s historical coastal bauxite belt, including the Bonasika

Mining License, the Waratilla-Cartwright Prospecting License, and the Essequibo PGGs Prospecting Permit. The Company also holds the Tarakuli and contiguous Tarakuli North-West Prospecting Licenses in Northeast Guyana. The Company's Bankable Feasibility Study Update defines and confirms the economic viability of an operation based on sequential mining of the two (2) bauxite deposits (Bonasika 6 and Bonasika 7), and the construction of a washing plant facility, a sintering plant, and load out facilities, at Sand Hills. The Bonasika 1, 2 and 5 deposits are additional value and would increase the mine of life from 36 years to 44.5 years. For further information on First Bauxite Corporation, please visit our corporate website at www.firstbauxite.com.

On behalf of The Board of Directors of First Bauxite Corporation

Hilbert N. Shields
President & CEO

Certain statements contained herein constitute "forward-looking statements". Forward-looking statements look into the future and provide an opinion as to the effect of certain events and trends on the business. Forward-looking statements may include words such as "developing", "will", "move forward", "next", "obtaining", "constructing" and similar expressions. These statements include, but are not limited to, statements regarding *the continued advancement of the Bonasika Bauxite Project*. These forward-looking statements are based on current expectations and entail various risks and uncertainties. Actual results may materially differ from expectations, if known and unknown risks or uncertainties affect our business, or if our estimates or assumptions prove inaccurate. Factors that could cause results or events to differ materially from current expectations expressed or implied by the forward-looking statements, include, but are not limited to, *the effect of capital market conditions and other factors on capital availability; availability of sufficient financing to fund planned or further required work in a timely manner and on acceptable terms; changes in project parameters as plans continue to be refined* and other risks more fully described in the Company's Management Discussion & Analysis of Financial Position and Results of Operations, which is available on SEDAR at www.sedar.com. Readers are cautioned not to place undue reliance on the forward-looking statements contained in this press release. Except as required by law, the Company assumes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or any other reason.

For further information please contact:

First Bauxite Corporation
Hilbert N. Shields, President & CEO
Telephone: 416-613-0910
Website: www.firstbauxite.com

Neither the 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.