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NEWS RELEASE

**FIRST BAUXITE CORPORATION ANNOUNCES SECOND AMENDMENT TO LOU
WITH RIO TINTO MINING AND EXPLORATION LIMITED**

Vancouver, B.C. – FIRST BAUXITE CORPORATION (“**First Bauxite**” or the “**Company**”) is pleased to announce that the Company has entered into a second amendment dated June 29, 2010 (the “**Amendment**”) to its Letter of Understanding (the “**LOU**”) dated May 23, 2008, as subsequently amended on June 17, 2009, with Rio Tinto Mining and Exploration Ltd (“**Rio Tinto**”). Pursuant to the LOU, the Company granted to Rio Tinto an exclusive option (the “**Option**”) to earn an initial 51% interest in the mineral rights known as the Essequibo Bauxite Property (“**Essequibo Property**”) in Guyana, held by the Company’s Guyanese subsidiary, Guyana Industrial Minerals Inc. (“**GINMIN**”), but excluding the Bonasika Mining License and the Waratilla Cartwright Prospecting License. The Company has submitted an application (the “**Application**”) to extend the area covered by the Bonasika Mining License number 01/2001 to the Guyana Geological and Mines Commission (“**GGMC**”) from its original size of 376 hectares to 4,331 hectares. The main reason for this amendment is that First Bauxite continues to get good refractory bauxite drilling results at Waratilla-Cartwright PL, as it has been announced in recent Company’s news releases. Therefore more ground and an expanded Mining License area are needed to accommodate the expected increase in resources as drilling continues in this area.

Pursuant to the terms of the Amendment, when the Application to extend the area is granted by the GGMC, the area covered by the new Bonasika Mining License will therefore be excluded from the LOU immediately upon notice provided by the Company to Rio Tinto, and without any further consideration from the Company, Rio Tinto will relinquish all rights, title and interest to the area covered by the new Bonasika Mining License.

The President of the company Yannis Tsitos stated “As we are drilling the bauxite deposits located within both the Bonasika Mining License (all three blocks) and within the Waratilla-Cartwright Prospecting License, it has become obvious from the results, that the deposits extend beyond the current boundaries of the exclusion area in the existing agreement with Rio. While the main focus of the company is the completion and delivery of the Bonasika Feasibility Study and the drilling at its neighboring Waratilla bauxite deposits to outline a NI43-101 compliant resource in it, our agreement with Rio is of high importance and value to First Bauxite and its shareholders. We welcome the agreement between Rio Tinto and First Bauxite to extend the exclusion area from the Essequibo Project and the LOU, and thus the execution of this amendment.”

About First Bauxite Corporation

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 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 calcined bauxite. First Bauxite controls a large land package in Guyana’s historical coastal bauxite belt, including the Bonasika Mining Licence and the Waratilla Prospecting License, covering deposits which were drilled in 1940’s-60’s by ALCAN and which host near surface deposits of refractory grade bauxite. The Company has commissioned a Feasibility Study over the Bonasika Project to analyze the technical and economic parameters of an independent mining and processing operation and is currently drilling the Waratilla bauxite deposits to outline the resources and to upgrade the historical reserves to NI 43-101 compliance. First Bauxite has additional upside potential to the metallurgical bauxite business, through an option agreement with Rio Tinto Mining and Exploration Ltd, whereby Rio can earn up to 75% interest in the Company’s exploration ground by expending up to US\$58 million in stages. Finally, the Company has entered into a Letter of Intent with Bauxite Corporation of Guyana Inc. (“BCGI”) to acquire all of the issued and outstanding shares of BCGI and accordingly, 100% of its interest in the contiguous Tarakuli and Tarakuli North-West Prospecting Licenses in Northeast Guyana, which host an historical inferred bauxite resource of significant size and quality (February 9, 2010 News Release). 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

Ioannis (Yannis) Tsitos
President & Director

Hilbert N. Shields
CEO & Director

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