



FIRST BAUXITE CORPORATION
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NEWS RELEASE

**FIRST BAUXITE CORPORATION ANNOUNCES CLOSING OF SECOND TRANCHE OF
NON-BROKERED PRIVATE PLACEMENT**

Vancouver, B.C. – FIRST BAUXITE CORPORATION (“First Bauxite” or the “Company”) is pleased to announce that, further to its news release issued on October 6, 2010, it has now closed the second tranche of its non-brokered private placement of 1,807,229 units (the “Units”) at a price of \$0.83 per Unit, raising a total of \$1,500,000. Combined with the closing of its first tranche, the financing was comprised of an aggregate of 4,864,458 units to raise gross proceeds of \$4,037,500.14. Each Unit consists of one common share (the “Common Share”) and one-half of a transferable common share purchase warrant (the “Warrant”). Each whole Warrant is exercisable into one additional common share (the “Warrant Share”) of the Company until October 15, 2012, at an exercise price of \$1.075 per Warrant Share. The Common Shares comprising the Units and any common shares issued upon the exercise of the Warrants are subject to a four month hold period expiring on February 16, 2011.

In connection with the closing, the Company has agreed to pay a transaction fee in the amount of \$52,500. The Company has also agreed to pay a cash finder’s fee of \$22,500 and issue an aggregate of 126,505 finder’s warrants (the “Finder’s Warrants”). Each Finders’ Warrant entitles the holder thereof to purchase one common share of the Company at an exercise price of \$0.90 until October 15, 2012. The Company further issued an aggregate of 36,145 finder’s units (the “Finder’s Units”) at a deemed price of \$0.83 per Finder’s Unit, with each Finder’s Unit having the same terms as the Units issued under the private placement. The Finders’ Warrants and the warrants underlying the Finder’s Units are subject to a four-month hold period expiring on February 16, 2011.

The proceeds from the private placement will be used primarily to fund the continued exploration and development activities on the Company’s Bonasika Mining License and the Waratilla Cartwright Prospect License, all located in Guyana, as well as for development and general working capital expenses.

The private placement remains subject to the final approval of the TSX Venture Exchange.

About First Bauxite

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 sintered (calcined) bauxite. First Bauxite controls a large land package in Guyana's historical coastal bauxite belt, including the Bonasika Mining License and the Waratilla-Cartwright 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 recently completed a Feasibility Study over the Bonasika Project and announced its results on July 29, 2010. The Feasibility Study defines and confirms the viability of an operation based on sequential mining of the three (3) bauxite deposits located on the Bonasika Mining License by open-pit, truck and excavator mining, with the mined ore trucked for processing at a central wash plant facility located less than 2 km from the Bonasika 1 & 2 pits. The wash plant concentrate will be transported 23 km to the sintering plant and load out facilities at Sand Hills. The Mine will operate at a production rate of 298,500 metric tons ("tonnes") of raw, dry bauxite per year or 1,148 tonnes per day, the wash plant will produce 162,232 tonnes of washed bauxite concentrate and the two vertical pressurised shaft kilns will produce 100,000 tonnes per year of sintered bauxite final product. The Company 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 an agreement to acquire all of the issued and outstanding shares of Bauxite Corporation of Guyana Inc. ("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. 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

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.

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