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**NEWS RELEASE**

**FIRST BAUXITE CORPORATION REPORTS ON POSITIVE LABORATORY RESULTS OF  
CONDUCTIVITY TESTING ON BAUXITE PROPPANTS**

**And**

**UPGRADES PROPPANTS STUDY FROM PEA LEVEL TO PRE-FEASIBILITY STUDY**

*Toronto, Ontario, June 25, 2013.* First Bauxite Corporation (“**First Bauxite**” or the “**Company**”) is pleased to announce the positive results of conductivity testing conducted on 4 size fractions of Intermediate Strength Proppants (“**Guyprop™-ISP**”) manufactured in a laboratory, using bauxite from the Company’s 100% owned Bonasika 1 deposit, in Guyana. Stim-Lab, which conducted the tests, is the oil and gas industry’s foremost provider of a broad range of research and testing services for drilling, cementing, completion, and stimulation design, additive evaluation, petrology, and reservoir analysis and is recognized as a world leader in the verification of proppant properties used for hydraulic fracturing and gravel-packing operations conducted the tests.

“The progress FBX has made, from initial laboratory formulation trials to Stim-Lab testing of a high quality ISP proppant, is very encouraging. Our expert consultants have advised that this rapid progress is primarily due to the quality of the Bonasika bauxites and their suitability for proppants manufacture,” stated Hilbert N Shields, President & CEO. “Progress on the proppants pre-feasibility study, coupled with recognition of the potential added value proppants brings the Company, should assist in obtaining the necessary project financing and provide further funding options as the Company pursues the overall development of the Bonasika Project.”

**The Ceramic Proppants Industry**

Sand and sand-based materials became the most popular type of proppant due to availability and low cost. However, several studies of production rates published by the Society of Petroleum Engineers have shown that the additional strength and uniform size and shape of ceramic (manufactured primarily from kaolin and or bauxite) proppant provide higher performance (25% or more) over other types of proppant (SPE 77675). Broadly sieved and irregular shaped proppants such as sand and resin coated sand pack more tightly, resulting in loss of fracture width and reduced conductivity. The global demand for ceramic proppants is forecasted to grow at a healthy rate, both in the USA and worldwide as the hydraulic fracturing application in the Oil & Gas industry becomes better understood and more countries identify reserves and permit “fracking”.

**Positive Conductivity Test Laboratory Results**

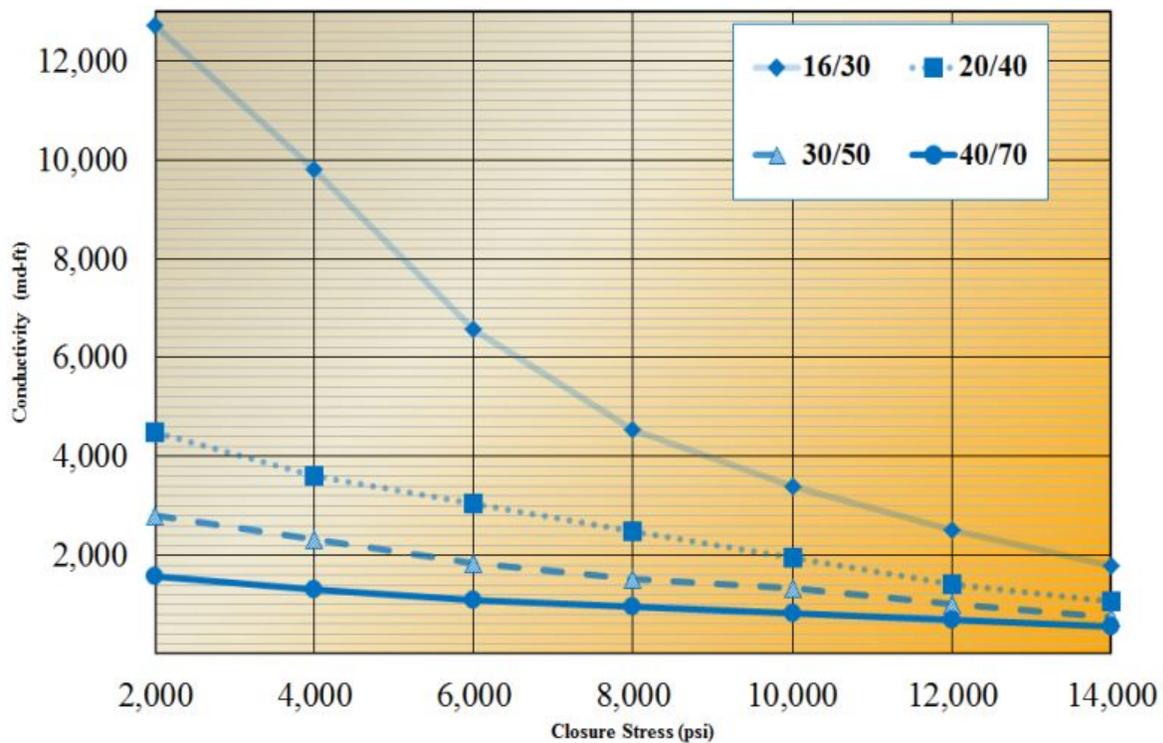
First Bauxite currently has lab and bench level test work underway in relation to making proppants

from Bonasika 1 and Bonasika 7 bauxites and to test the products for compliance with industry requirements and specifications. Scale-up plans are in place to submit half-ton samples for manufacture in production size equipment in the facilities of industry leading manufacturers.

The results indicate that Guyprop-ISP achieved the performance specifications needed, as testing used the current API and ISO standards. As shown on the following graph, long-term conductivity for Guyprop-ISP compares very well when benchmarked against ceramic proppant industry leaders. Additionally, laboratory tests have shown ideal performance characteristics in the areas of strength, with exceptional decline rates, sphericity and roundness.

## GuyProp™-ISP Long Term Conductivity

2 lb/ft<sup>2</sup>, 250°F, with 2% KCl Between Ohio sandstone



The technical content in this press release has been reviewed and approved by Michael J. Rand, PE., a “qualified person” pursuant to National Instrument 43-101 – Standards of Disclosure of Mineral Projects (NI 43-101). Mr. Rand is the CEO of ACT Group.

### **Upgrade of PEA to Pre-Feasibility Study for the Production of Proppants**

The Company announced in its Feb. 13, 2013 news release that it had engaged consulting firms with expertise in the formulation and manufacturing of proppants to assist the Company in conducting a Preliminary Economic Assessment (“PEA”) of the viability of manufacturing bauxite based Ceramic Proppants from bauxite rejects generated at its Guysin® plant, and/or bauxite ore

mined directly from the Bonasika 1, 2, & 5 deposits. The encouraging results to date in the formulating and testing of ISP proppants, confirmed by the Stim-Lab results reported below, has motivated the Company to upgrade the intended PEA study to a pre-feasibility study.

Additionally, the Company has retained Met-Chem Canada Inc., of Montreal to review and revise as appropriate, the NI 43-101 Compliant Mineral Resources and Mineral Reserves, using revised grade limits made possible by the expanded chemical ranges of bauxite that qualify for ceramic proppants manufacture. Met-Chem has also been charged with developing a revised exploitation plan & schedule for mining sufficient bauxite and kaolin from the Bonasika 1 & 7 deposits, to support a 125,000 nt/year ceramic proppants manufacturing plant in Guyana. Further, the Company has retained OPF Enterprises (“OPF”), a ceramics research & development Company, with offices in Houston, Texas and Missoula, Montana and Applied Control Technology (“ACT”) of Dallas, Texas to work with the Company on the formulation and qualification testing of proppants as well as the design, engineering and costing of the proposed plant. Finally, the Company has commissioned Market Research.com (“MRDC”) of New York, NY to undertake a focused market research study to help the Company better understand the market size and potential in the Americas for proppants.

The Bonasika Feasibility Study Update, announced on October 6, 2011, did not include the Bonasika 1, 2 & 5 deposits, so potential entry into proppants manufacture will maximize utilization of all the company’s Bonasika bauxite resources and as such should increase and enhance returns to both the refractory grade and the ceramic proppant initiatives.

### **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 and twenty (20) Prospecting Licenses in the Essequibo-Demerara area. The Company has also has the Canje-Tarakulli Permission for Geophysical and Geological Survey (“PGGS”) which covers a large area in Northeast Guyana that encompasses two (2) Tarakulli Prospecting Licenses previously held by the Company. The Company’s Bankable Feasibility Study Update defines and confirms the economic viability of an operation based on sequential mining of 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 life from 36 years to 44.5 years. For further information on First Bauxite Corporation, please visit our corporate website at [www.firstbauxite.com](http://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](http://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.

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