

TORONTO, ONTARIO--(Marketwired - Oct 30, 2015) - [First Bauxite Corp.](#) ("First Bauxite" or the "Company") (TSX VENTURE:FBX)(FRANKFURT:FBI)(BERLIN:FBI) is pleased to announce a non-brokered private placement (the "Private Placement") to Resource Capital Fund VI L.P. ("RCF") of an aggregate of US\$15 million principal amount secured convertible notes bearing 8% interest and maturing August 1, 2017 (the "Notes") to close in two tranches, the first of which closed today with the issuance of a US\$4 million Note. The principal amount of the Notes will be convertible at the option of RCF into common shares of the Company at CAD\$0.05698 per share for a period of one year from the date of issuance and CAD\$0.10 per share thereafter (the "Conversion Price"), while interest outstanding on the converted amount may, at RCF's election, be settled by the issue of Company shares at the Market Price (as defined by the TSX Venture Exchange (the "TSXV") of such shares at the time of settlement). The Company may prepay the principal amount of the Notes in shares valued at the Conversion Price if the volume weighted average trading price of the Company's shares exceeds 200% of the conversion price for 40 consecutive trading days, while interest outstanding on the prepaid amount may be settled by the issue of Company shares at the Market Price of such shares at the time of prepayment.

The proceeds of the Private Placement are expected to allow the Company to improve its financial position and to proceed with its budgeted programs for its fiscal 2015 and 2016 years including: (i) initial detailed engineering on the mining and beneficiation plant in Guyana for the Issuer's Bonasika bauxite project; (ii) continuing analysis of the ceramics proppant market; (iii) mining of a bulk sample to manufacture large scale proppant samples for market tests in select oil and gas wells; and (iv) general working capital.

The Company has also entered into amending agreements with its current note holders to replace its outstanding notes having an aggregate principal amount of approximately CAD\$16.3 million and US\$4 million and maturing January 19, 2016, with new convertible notes having substantially the same terms and conditions as the Notes, including interest rate, maturity date and conversion features (the "Replacement Notes").

The new Notes and the Replacement Notes issued will be secured obligations of the Company under a general security agreement between the Company and the note holders. The Board has authorized an aggregate of up to 900,000,000 shares for potential issuance upon conversion of the new Notes and the Replacement Notes.

The Private Placement and Replacement Notes constitute related party transactions pursuant to Multilateral Instrument 61-101 -

Protection of Minority Security Holders in Special Transactions ("MI 61-101") and TSX Venture Exchange Policy 5.9. In consideration of the financial circumstances of the Company, the Company is relying upon the "financial hardship" exemptions from the requirements to obtain a formal valuation and minority shareholder approval in Sections 5.5(g) and 5.7(e) of MI 61-101 respectively.

The Company will also file a material change report on SEDAR (www.sedar.com) regarding the Private Placement. The material change report will be filed less than 21 days prior to the closing of the Private Placement and execution of the Replacement Notes agreements due to the Company's immediate need for financing.

Subsequent closings of the Private Placement and Replacement Notes remain subject to the satisfaction of certain closing conditions contained in the note purchase agreement and amending agreements between the parties, which shall occur no later than January 19, 2016.

The \$4 million Note issued to RCF today is subject to a four month hold period expiring March 1, 2016

About First Bauxite

[First Bauxite Corp.](#) (TSX VENTURE: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 professionals with worldwide experience in the global industrial minerals industry across a number of industrial minerals. For further information on [First Bauxite Corp.](#), please visit the Company's corporate website at www.firstbauxite.com.

On behalf of the Board of Directors of First Bauxite Corporation

Alan Roughead, President and 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 "will", "anticipates", "believes", "intends", "expects" and similar expressions. These statements include, but are not limited to, statements regarding the 2015-16 budget and the satisfaction of conditions to the subsequent closings in the note purchase agreement and amending agreements. 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; execution of the Company's existing plans as budgeted, including development programs for Bonasika, which may change due to changes in the views of the Company or if new information arises which makes it prudent to change such budget, plans or programs, the satisfaction of conditions to the subsequent closing in the note purchase agreement and amending agreements, and other risks affecting the Company or the mining industry more fully described in the Company's continuous disclosure documents, which are available under the Company's profile 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.

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.

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