

ASX RELEASE

21st May 2014**DRILLING COMMENCES AT YALBRA GRAPHITE PROJECT****HIGHLIGHTS**

- ~ 1,750m combined RC & diamond drilling program commences at the Yalbra Graphite Project
- Program objectives include:
 - Resource expansion
 - Upgrade existing resource to facilitate scoping study
 - Diamond drilling for metallurgical testing

YALBRA GRAPHITE PROJECT

Yalbra E09/1986 (85% Buxton), Coordewandy (90% Buxton), Gum Creek Well (100% Buxton)

The Yalbra Graphite Project is located 250km North West of Meekatharra and 280km East of Carnarvon, Western Australia. It consists of three tenements covering a combined area of 473km².

The Company's maiden drilling program in 2013 intersected numerous zones of high-grade graphite. The project currently has a very high grade inferred graphite resource to JORC Code reporting standards of

2.27Mt @ 20.1% TGC (total graphitic carbon).

Buxton believes this to be the highest reported grade graphite resource in Australia.

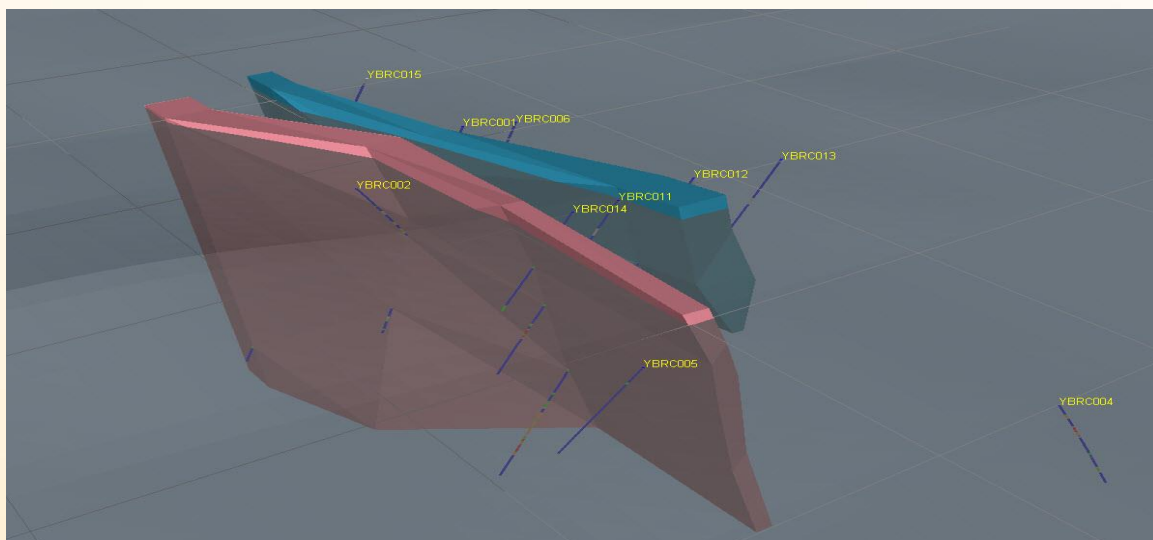


Figure 1: Graphite resource wireframes within the Main Zone at Yalbra – view is to the north-west. Grid spacing is 100 metres.

Planned Drilling

The planned RC and diamond drilling program has been designed to:

- Extend the existing resource to the West.
- Upgrade the majority of the existing Inferred to Indicated in order to facilitate a scoping study.
- Diamond drilling for both resource and metallurgical test-work purposes will also be undertaken.

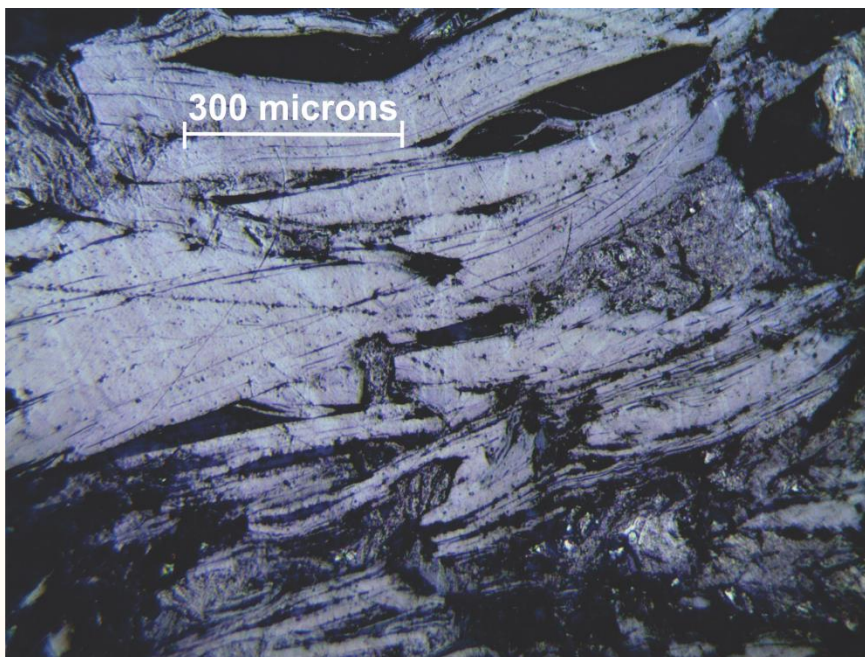


Figure 2: Photomicrograph of coarsely crystalline graphite with minor mica from graphite-rich layer YBRC001 80-81m. Reflected light. Field of view is 1200 microns.

The program is expected to take approximately three to four weeks to complete and results will be reported as soon as they become available.

Competent Person

The information in this report that relates to exploration results and geology is based on information compiled and/or reviewed by Dr Julian Stephens, Member of the Australian Institute of Geoscientists and Non-Executive Director for Buxton Resources Limited. Dr Stephens has sufficient experience which is relevant to the activity being undertaken to qualify as a "Competent Person", as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves and consents to the inclusion in this report of the matters reviewed by him in the form and context in which they appear.

The information in this Report that relates to in-situ Mineral Resources is based on information compiled by David Williams of CSA Global Pty Ltd and previously reported to the ASX on 25th February 2014. David Williams is a Member of the Australasian Institute of Mining and Metallurgy, and a Member of the Australian Institute of Geoscientists and has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he has undertaken, to qualify as a Competent Person in terms of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code 2012 Edition). David Williams consented to the inclusion of such information in the 25th February 2014 announcement to the ASX in the form and context in which it appeared. There has since been no material changes to the information.

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About Buxton's Projects

Zanthus Ni-Cu Project (100% Interest)

The Zanthus Ni-Cu Project is located 60km along strike from Sirius Resources' (ASX: SIR) Nova-Bollinger Ni-Cu discovery in the emerging Fraser Range Nickel Province, Western Australia. The project covers an area of 367km². Gravity and VTEM, ground EM and surface geochemistry data was gathered over an area of 137km² that contain similar mafic – ultramafic intrusive rocks to those that host the Nova-Bollinger deposit. Significantly, recent RC drilling intersected magmatic Ni-Cu sulphides. Follow up work is currently being planned.

Yalbra Graphite Project (85% - 100% Interest)

The Yalbra Graphite Project is located 250km North West of Meekatharra and 280km East of Carnarvon, Western Australia, and comprises the Yalbra, Gum Creek Well and Coordewandy tenements, which together cover an area of 473km². Buxton's maiden RC drilling program completed in late 2013 shows significant intersections of very high grade graphite. The project has a JORC Code reported Inferred Mineral Resource at the Main Zone of 2.27Mt @ 20.1% TGC.

Dempster Project (90% – 100% Interest)

Buxton has acquired a significant ground position now totaling 2,376km² that is prospective for magmatic nickel-copper and separately orogenic gold deposits at Dempster within the Albany Fraser Orogen. The project straddles the interpreted boundary of the Archaean Yilgarn Craton and the Proterozoic Albany Fraser Orogen and has a similar tectonic position to the Tropicana Gold Deposit. Historical work at the Dempster Project identified significant nickel surface calcrete anomalies. The Prickle prospect, was drilled and shown to be underlain by a mafic-ultramafic rock package including gabbros and dunites. Peak results were 0.25% Ni and 348ppm Cu at the base of a RAB hole.

Widowmaker Ni-Cu Project (100% Interest)

The Widowmaker Ni-Cu Project is located approximately 22km along strike from Sirius Resources' (ASX: SIR) Nova-Bollinger Ni-Cu discovery in the emerging Fraser Range Nickel Province, Western Australia. The project covers an area of 225km², and over 20km of potential strike of the gneiss units that host "the Eye" mafic – ultramafic intrusive that contains the Nova-Bollinger deposit. Recent surface geochemistry has highlighted an anomaly over ~3km of strike with an association that includes Ni-Cu-Co-Cr-As.

Northampton Base Metals Project (100% Interest)

The Northampton project area is located 477km North of Perth, along the Northwest Coastal Highway between Geraldton (in the South) and Ajana (in the North). The main target commodities in this project are Cu, Pb, Zn, and Au. The principal target style is structurally controlled polymetallic sulphide veins and pods.

ASX Code – BUX, BUXO

Issued shares – 54.5m

Market Cap @ 22.5cps - \$12.3m

Cash - \$2.1m (at 31 March 2014)