

23 September 2009

Company Announcement Office  
Australian Securities Exchange Limited

**Proposed Bauxite IPO – Australian Bauxite Limited**

Australian Bauxite Limited (**ABx**) is a wholly owned subsidiary of Hudson Resources Limited (**Hudson**).

Hudson will transfer, sell or assign all its bauxite interests (13 granted tenements; 1 application offered and 3 applications pending) to its wholly owned subsidiary ABx upon satisfaction of the following terms and conditions:

- **Hudson Shareholder Approval**

1. In the event that ASX forms the view that listing rule 11.4 applies to the transaction that Hudson Shareholders approve the transaction.

- **Convertible Note**

2. ABx must either at its option:

- (a) pay Hudson the sum of \$2.4 million (plus accrued interest) within 36 months; or
- (b) issue \$2.4 million (plus accrued interest) worth of shares in ABx to Hudson on the basis of an issue price of \$0.30 per share (8,000,000 shares).

The Convertible Note will carry an interest rate equal to 6% per annum payable quarterly in arrears.

- **IPO**

3. That ABx raises \$4 million through a public offering of 20 million shares at \$0.20 per share;

- **Priority Offer**

4. That all Hudson shareholders holding at least a Marketable Parcel of Hudson shares at the Record Date (yet to be set) will be eligible to apply for shares in a Priority Offer, whereby they will be guaranteed an allotment of 10,000 shares in ABx (upon payment of \$2,000) (any further allocation will be at the discretion of the Directors);

- **ASX Listing**

5. That ABx is approved to be listed by the ASX.

Upon completion of the IPO, Hudson will hold 71% of ABx.

The target date for listing on the ASX is 14 December 2009, though this date may be subject to factors outside of the control of ABx. Also the spin-out and listing of ABx may be subject to Hudson shareholder and other regulatory approvals.

Hudson directors have assembled a strong team to lead ABx:

**Chairman – Peter J Meers BA (Economics) FAIB**

Peter Meers has broad business experience across a range of industries including consumer, commercial and investment banking, securities trading and origination, mining and exploration and building materials. He is CEO of Tiaro Coal Limited, a subsidiary of Hudson.

Mr. Meers held senior executive positions and portfolio management roles in agribusiness, mining, property and trade finance during a career spanning 25 years with ANZ Bank in Australia and Asia.

Past directorships include appointment on company boards in Malaysia, Indonesia and Singapore. Mr Meers is Executive Chairman of Hudson.

**Managing Director - Ian Levy BSc (Hons) MSc DIC FAusIMM FAIG**

Ian Levy has thirty years senior management experience with small to large mining companies, including WMC, Pancontinental Mining, Gympie Gold and CEO of Allegiance Mining, involving development of bauxite, gold, coal, base metals, nickel and industrial minerals projects from discovery to marketing. He is Chairman of D'Aguilar Gold, Dynasty Metals Australia and a former Director of Gloucester Coal. He was a member of the Joint Ore Reserves Committee (JORC) for 11 years including 4 years as Vice Chairman and Federal President, Australian Institute of Geoscientists.

**Director – Rado Jacob Rebek**

Jacob Rebek is an Australian geologist with forty years experience in exploration. From 1970 to 2003 he worked for CRA and Rio Tinto in various parts of Australia and overseas. His roles included that of exploration manager for Papua New Guinea in 1970's, South Australia and Northern Territory from 1981 to 1984, Eastern Australia from 1987 to 1993 and Exploration Director for South America from 1997 to 2000. He led teams which discovered new zinc, copper, gold, bauxite and iron ore deposits. Since 2003 he worked for emerging companies, generating new projects. In 2006 he started working for Hudson as its consulting geologist.

**Non-Executive Director - Vincent Tan BCom and Admin CA**

Vincent Tan is a chartered accountant and has over the past 35 years worked in a range of industries, including insurance, securities trading, finance and property.

Mr Tan has held senior management positions in a number of public and non-government organisations and has broad experience in corporate structuring.

**Non-Executive Director - Wei Huang BEcon MCom**

Wei Huang graduated with a Bachelor of Economics from Macquarie University and a Master of Commerce from University of New South Wales. He is a member of CPA Australia.

He has experience in financial control, new business start ups and development within the mining, construction, financial services, and retail and textile industries both in Australia and overseas.

Mr Huang also has extensive experience in promoting and facilitating two-way investment between China and Australia and is familiar with the business cultures of both China and Australia.

**Company Secretary - Henry Kinstlinger**

Henry Kinstlinger has the past twenty-five years been actively involved in the financial and corporate management of a number of public companies and non-governmental organisations. He is a corporate consultant with broad experience in investor and community relations and corporate and statutory compliance.

**Consulting Geologist - Andrew White BSc(Hons) PhD FAIG FSEG GAICD**

Dr White is a consulting geologist, management consultant and company director. He has over forty five years experience in the mining sector, including roles as exploration manager at Comalco (the bauxite / alumina / aluminium subsidiary of CRA / Rio Tinto) and at Poseidon and was founding director of the W.H. Bryan Mining Geology Research Centre, University of Queensland.

He has extensive experience in exploration, mining, financial evaluation, project development and management, and is author of the text, "Management of Mineral Exploration".

**Meridian Corporate Advisory Pty Ltd**

Meridian Corporate Advisory (**Meridian**) has been providing senior advisory services to the resources sector for 10 years. Meridian will assist ABx with:

- strategies in growing value for stakeholders and to deliver on corporate objectives;
- overall financing plans (and the component elements of those plans across all forms of capital) and;
- assisting directly with execution and delivery of ABx's corporate plan.

**Sponsoring Broker and Lead Manager**

State One Stockbroking Ltd (**State One**) has been engaged as Sponsoring Broker and Lead Manager to the ABx IPO. State One is a resources specialist stockbroker, a full trading and clearing Participant of ASX, with offices in Perth and Sydney.

The Offer of the securities will be made in a prospectus to be lodged with ASIC during October 2009. To subscribe for Shares, applicants will need to complete the application form that is in, or accompanies, the prospectus.

In deciding whether to acquire the Shares, applicants should read the prospectus carefully, and if necessary seek their own taxation and investment advice.

The prospectus, including the application form, once lodged with the ASIC, will be able to be viewed and downloaded at [www.australianbauxite.com.au](http://www.australianbauxite.com.au) and at [www.stateone.com.au](http://www.stateone.com.au).

Requests for the prospectus and application form can also be made by phoning ABx on +61 2 9251 7177, or the Sponsoring Broker on +61 2 9024 9109 or +61 8 9288 3388.

**For further information**

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