

28th March 2017

MCL ADVANCES TOWARDS PRODUCTION OF TOP QUALITY MEDICAL GRADE CANNABIS

The Board of Queensland Bauxite Limited (ASX: QBL) is pleased to advise that Medical Cannabis Limited ("MCL" or "the Company") has entered into a strategic relationship with WHG.net Pty Ltd ("Wholesale Horticultural Group" or "WHG"). WHG is Australia's biggest hydroponic supplier. WHG's Co-Founder Michelle Crain said: "We are very pleased and appreciate this opportunity to be the first major Australian nutrient manufacturer to be involved with MCL, to assist MCL to produce top quality products grown to a medical grade under the unique licences that MCL has obtained".

Andrew Kavasilas, Technical Director of MCL, and author of the authoritative book "Medical Uses of Cannabis- Information for Medical Practitioners", which is an Australian research guide to scientific findings on the medical use of cannabis, said: "This further secures MCL's position and intention to be the first and most progressive medical Cannabis company in Australia. We feel very confident that our relationship with WHG will further advance MCL's capabilities to be able to produce top quality Australian products grown to a medical grade."

Hydroponics is a subset of hydroculture, the method of growing plants without soil, using mineral nutrient solutions in a water solvent. WHG manufactures a majority of the products they sell. These products include some of Australia's best-known products within the ever expanding hydroponics and horticultural industries.

Michelle Crain said: "Our business has been in the industry for more than 26 years, manufacturing nutrients and additives. The idea was to help meet consumer demands within the horticultural market, for a higher quality of service, and to offer products that are tested, designed, and used by growers to meet the diverse and often tough Australian conditions and standards."

WHG has constructed a purpose-built grow tent with clear side panels especially for MCL who will be showing an extract/snippet of its activities at the Sydney HHI Expo on May 28th at the Rosehill Racecourse.

We extend an invitation to all shareholders to visit the Expo and to view firsthand some of the Company's work in the area of medical cannabis and industrial hemp and to meet some of those people responsible for this pioneering work in Australia.



Pnina Feldman
Executive Chairperson
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About Queensland Bauxite

Queensland Bauxite Ltd is an Australian listed company focused on the exploration and development of its bauxite tenements in Queensland and New South Wales. The Company's lead project is the South Johnstone Bauxite Deposit in northern Queensland which has rail running through the project area and is approximately 15-24 kilometres from the nearest deep water port. The Company intends to become a bauxite producer with a focus on commencing production at South Johnstone as early as possible. The Company also pursues additional investment opportunities, and has entered into an agreement to acquire 55% of Medical Cannabis Limited, an Australian leader in the hemp and Cannabis industries.