

17th October 2018

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Cover Note and Supplementary Prospectus

This attached supplementary prospectus has included some updated information on the original prospectus that was lodged with the ASIC on 27 September 2018.

Due to the requirement to provide further information set out in this supplementary and with the company's annual accounts being lodged in the coming days which will also require a further supplementary prospectus update next week, the Company is extending the indicative timetable for the expected relisting to mid November.

The Company is very pleased and grateful for the overwhelming support of our shareholders in their support of the Offer, and would like to advise that there is no requirement for shareholders to make any further applications or do anything further in their applications already made. The applications will be considered during this interim period, and allocations will be made giving priority to larger and longer term shareholders of the Company. A final decision on which applications will be accepted and how much will be accepted from each shareholder will be made during this period, and each shareholder will be notified directly by the Company once a decision is made. There is no need to contact the company to reapply.

The Directors thank all our shareholders who have made this raising a success, and we look forward to the imminent relisting of the newly branded Cann Global, and sharing in the success of its continued growth and development with all our loyal shareholders.



Sholom Feldman
Managing Director and Company Secretary

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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 has recently agreed to acquire a 100% shareholding in Medical Cannabis Limited, an Australian leader in the hemp and Cannabis industries, and a 100% shareholding in Medcan Australia Pty Ltd, a company with an ODC cultivation and production License, ODC Cannabis import and export Licenses, and a DA approved Cannabis production and manufacturing facility.

SUPPLEMENTARY PROSPECTUS

1. IMPORTANT INFORMATION

This is a supplementary prospectus (**Supplementary Prospectus**) which is intended to be read with the prospectus dated 27 September 2018 (**Prospectus**) issued by Queensland Bauxite Limited (to be renamed Cann Global Limited) (ACN 124 873 507) (**Company**).

This Supplementary Prospectus dated 17 October 2018 was lodged with the ASIC on that date. The ASIC, ASX and their respective officers take no responsibility for the contents of this Supplementary Prospectus.

This Supplementary Prospectus should be read together with the Prospectus. Other than as set out below, all details in relation to the Prospectus remain unchanged. Terms and abbreviations defined in the Prospectus have the same meaning in this Supplementary Prospectus. If there is a conflict between the Prospectus and this Supplementary Prospectus, this Supplementary Prospectus will prevail.

This Supplementary Prospectus will be issued with the Prospectus as an electronic prospectus and may be accessed on the Company's website at www.queenslandbauxite.com. This is an important document and should be read in its entirety. If you do not understand it, you should consult your professional advisers without delay.

2. MEDCAN AUSTRALIA PTY LTD

2.1 Update on additional Medcan licences

As announced by the Company on 9 October 2018, in addition to the licences currently held by Medcan (which are detailed in Section 10 of the Prospectus), Medcan has been granted Medical Cannabis Manufacture Licence ML15/18 by the ODC. This licence will allow Medcan to manufacture its range of products in accordance with the licence.

Medcan has also secured a Queensland Health licence allowing for the storage of Schedule 9 substances, including Cannabis seeds, and a Department of Agriculture and Water Resources (**DAWR**) Permit allowing for the importation of plant materials, specifically cannabis seeds.

2.2 Updates to Medcan Agreement

(a) Remuneration of Medcan Management

The Medcan Agreement has been amended so that the remuneration payable to Medcan management under the terms of their proposed two-year management agreements, as outlined in Section 14.2(e) of the Prospectus, may include a cash element.

During the first year of the term, the remuneration will be the greater of:

- (i) a quarterly issue of 1,250,000 Shares (being 5,000,000 Shares per annum) and \$250,000 in the case of Craig Cochran; and
- (ii) a quarterly issue of 1,000,000 Shares (being 4,000,000 Shares per annum) and \$200,000 in the case of Gareth Ball.

During the second year of the term, the Medcan Management will receive the same quarterly issue of Shares or cash payment as noted above (whichever is greater), plus an increase based on CPI.

The parties to the Medcan Agreement have also agreed that if QBL's Shares are not listed on ASX by 1 November 2018, then \$100,000 of the next quarterly remuneration payment will become due and payable to the Medcan Management, who may elect to be paid in cash (which will be deducted from the next quarterly issue of Shares falling due).

(b) Extension of time for satisfaction for conditions

In addition to the above amendments, and to allow for additional time for the satisfaction of conditions under the Medcan Agreement, primarily in respect of obtaining Conditional Approval from ASX for the Company to be reinstated to trading, the parties to the Medcan Agreement have agreed to extend the period for satisfaction of the conditions under the Medcan Agreement until 30 November 2018 (previously all conditions were required to be satisfied by 31 October 2018).

Refer to Section 4 below for updates to the timetable as a result of this extension.

3. FEDERAL COURT APPLICATION

Part 6D.2 of the Corporations Act imposes disclosure requirements in respect of the issue of securities. In some circumstances, those requirements may be met by the issue of a notice that complies with sections 708A(5) and 708A(6) of the Corporations Act (generally known as a cleansing notice) or, if a prospectus has been lodged in accordance with section 708A(11), then generally no further disclosure is required under Part 6D.2 of the Corporations Act.

Some provisions in Part 6D.2 of the Corporations Act allow securities to be issued without disclosure. However, if such securities are issued, then the party to whom the securities are issued may not on-sell the securities within 12 months without that party itself providing disclosure. As such, if the issuer does not issue a valid cleansing notice or a prospectus at the time of issue then there is a prospect that the party to whom the securities are issued must itself cause such disclosure if it wishes to on-sell those securities within 12 months.

The Company has issued a number of Securities over the last 6 years without issuing an accompanying cleansing notice or prospectus in respect of those Securities. The Company understands there was trading in some of the Securities the subject of these issues within 12 months of their issue dates which was not exempt from disclosure under the Corporations Act and the Company is currently confirming the extent of this.

The Company will be making an urgent application to the Federal Court of Australia pursuant to section 1322(4) of the Corporations Act to seek orders that dealings in the relevant Securities were not invalid by reason of the failure by those who have sold the Securities to comply with section 707(3) and section 727(1) in Part 6D.2 of the Corporations Act and that the sellers be relieved from any civil liability in respect of the contravention of those provisions. The Company will also seek to cleanse any Securities which were issued contrary to the requirements of Part 6D.2 requirements so that they are freely tradable.

ASX has confirmed it will require the Company to seek and obtain these Federal Court orders prior to it granting approval to the Company being reinstated to trading on ASX. The Company expects this process to take approximately 3 weeks to complete. This

process will be undertaken at the same time as the application for listing is considered by ASX.

4. EXTENSION OF OFFERS AND UPDATE TO INDICATIVE TIMETABLE

Given the matters noted in Sections 2.2(b) and 3 of this Supplementary Prospectus, the Company has decided to extend the timetable for the Offers.

The Offers are now expected to proceed in accordance with the indicative timetable set out below (which replaces the indicative timetable in Section 3.1 of the Prospectus).

Event	Date ¹
Lodgement of Supplementary Prospectus with the ASIC	17 October 2018
Closing Date of the Offers ²	31 October 2018
Expected date on which Federal Court application will be heard	5 November 2018
Issue of Shares under Capital Raising Offer	12 November 2018
Completion of the Medcan Acquisition/MCL Acquisition	12 November 2018
Re-quotations of Securities (including Shares issued under the Offers) on the ASX	15 November 2018

Notes:

1. The above dates are indicative only and may change without notice. The Company reserves the right to extend the closing dates of the Offers or close the Offers early without prior notice. The Company also reserves the right not to proceed with the Offers at any time before the issue of Securities to Applicants.
2. This date is only a good faith estimate by the Directors and the Offers may be closed early or extended at the discretion of the Directors.

5. OTHER AMENDMENTS TO PROSEPECTUS

5.1 Clarification to conditionality of Offers

In Section 4.6 of the Prospectus, it is noted that if the Conditions to the Offers (other than the Lead Manager Offer and the L1 Offer) are not satisfied within three months after the date of the Prospectus or either the Medcan Agreement and/or the MCL Agreement are terminated for any reason, the Offers will not proceed, and no Shares will be issued pursuant to the Prospectus.

The Company wishes to clarify that, in respect of any termination of the Medcan Agreement or MCL Agreement, the Offers will only not proceed if either or both of those agreements are terminated for any reason *before* the issue of Shares under the Offers.

5.2 Correction to description of Lead Manager

Empire Equity Ltd, being the Lead Manager to the Capital Raising Offer, is defined in the Glossary in Section 17 of the Prospectus as having 'Australian Registered Body Number 603 556 421'. This reference is incorrect and should instead be replaced with 'an entity incorporated in the Seychelles with Registered Business Number 061578'.

5.3 Additional information to be provided

Investors should note that, pending the release of the Company's audited accounts for the period ending 30 June 2018, which will occur as soon as possible, the Company

expects to lodge a further supplementary prospectus shortly to provide updated financial and other information in respect of the Company.

6. DIRECTORS' AUTHORISATION

This Supplementary Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with Section 720 of the Corporations Act, each Director has consented to the lodgement of this Supplementary Prospectus with the ASIC.

Sholom Feldman
Managing Director and Company Secretary
For and on behalf of
QUEENSLAND BAUXITE LIMITED