

12th May 2017

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REPORT ON MEETING WITH DEPARTMENT OF PRIMARY INDUSTRIES

Following yesterday's announcement, Andrew Kavasilas of Vitahemp Pty Ltd (subsidiary of Medical Cannabis Limited – MCL) has met with a Senior Policy Adviser from the Department of Primary Industries in NSW (DPI), where they discussed various initiatives that will help to develop and establish Trade and Industry Standards in relation to the newly approved Australian grown hemp seed food market.

Vitahemp, through its current hemp growing licenses and unique seed bank, has earned the first mover advantage in the industry. Vitahemp is at the forefront of having the potential to take full commercial advantage of the historic regulatory changes recently announced, and is emerging as a leader in assisting the industry in the protection of the farmer to the consumer, and the integrity of the seed from the paddock to the plate.

Left on its own, the industry could face significant challenges, from new crop development through to harvesting and post-harvest handling, many issues related to farmer protection to consumer safety. These points were raised and discussed with a view to addressing the various components required to be solved by November when final Government approval is expected to happen.

It was agreed that a credible National Hemp Alliance is required and Vitahemp is committed to support and offer assistance to achieve a single voice to drive all participants in this important emerging industry.

NSW DPI has been encouraged to continue as the leading government agency and to consider allocating additional resources so as to develop and establish a set of national guidelines that would offer uniformity to Australian farmers and consumers in every state and territory.

Mr. Kavasilas said: "We raised many items that could put an Australian grown hemp seed export on a footing to make an immediate mark on the international trade. While the US and EU remain the biggest importers of hemp foods, Australian farmers could take advantage of the fact that US authorities do not allow domestic cultivation of hemp and the Northern European climate doesn't allow the hemp plant to reach its full maturity."

QBL Chairperson Mrs. Feldman said: "We are very pleased that various Government departments and agencies are seeking input to ensure a sustainable and profitable hemp food industry is developed in Australia."

The Company wishes to correct the dates on this morning's announcement concerning the positive meetings with Department of Environment and Heritage Protection (DEHP) and Department of Infrastructure, Local Government and Planning (DILGP) which was on Friday 5th May and Monday 8th May respectively. (Not the 3rd May and 6th May as stated in the announcement)

Queensland Bauxite wishes all shareholders a great week-end.



Pnina Feldman
Executive Chairperson
Queensland Bauxite Limited

For further information, please contact:

Queensland Bauxite Ltd

Tel: +61 (0)2 9291 9000

For further information or any queries please email the Company at:

sfeldman@queenslandbauxite.com.au



www.twitter.com/QLDBauxite

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.

Forward Looking Statements

This release may contain certain forward looking statements and information about expected future events that are forward looking in nature and subject to risks and uncertainties. When used in this release, the words like "anticipate", "believe", "intend", "estimate", "could", "should", "expect", "may", "plan", "potential", "will", "seek" and similar words or expressions are forward looking statements. Such forward looking statements by definition involve risks, uncertainties and other factors, which may cause the performance or achievements of Queensland Bauxite Limited (QBL) to be materially different from the statements made herein. Although every effort has been made to ensure this release sets forth a fair and accurate view, the company does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required in accordance with the Company's continuous disclosure obligations.