

8th August 2017

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CANNABIS WINTER CROP AND GENERAL UPDATE

The Board of Queensland Bauxite (ASX:QBL) is delighted to announce that its subsidiary company Medical Cannabis Limited ("MCL" or "the Company") has reported success with its previously announced winter trial crops.

<http://www.asx.com.au/asxpdf/20170703/pdf/43kc7tf3r6rwnd.pdf>

Director Andrew Kavasilas said: "There have been very few serious winter trials in Australia and information as to the success of these trials is scarce and uninformative. We began a winter growth of Cannabis so as to be ready for production as soon as hemp food becomes legal in Australia at the end of this year". Andrew Kavasilas added "I'm impressed with germination and growth rates of several of our cultivars. What we've learned is fascinating. I think what we have learned from the current trials of a number of our cultivars would be helpful for an even more successful winter cropping next year, which will determine crop rotation and planting dates, and on which of our cultivars to focus the winter cropping".

This winter crop has provided the Company with valuable information and allowed the company to bulk up particular promising variates.

Pnina Feldman Executive Chairperson of QBL said: "If the trials continue as well as they have been, the Company should have more than sufficient grain to produce its initial products for consumer and market testing at the end of this year when legalisation comes into effect, with the aim of generating significant revenues".

Andrew Kavasilas said: "This is the kind of investigation and research that has long been lacking in Australia. However, since State Health Ministers voted to lift the ban on hemp seed consumption, this change will see Cannabis laws repealed, and food regulations amended to allow free commerce and the opening of a lucrative industry as already exists in other parts of the world.

"We have been pushing for these changes since 2009 at the State level. Police objections and concerns about this highly nutritious grain interfering with roadside saliva testing, have been well and truly dismissed, so we should be seeing our Australian grown hemp seed products on the shelves in the months ahead."

The Company is actively negotiating production, marketing and distribution agreements and will announce these to the market when finalised. The Company is well positioned to be the dominant producer of Australian grown and produced hemp food products.

The Company is also significantly progressing its Medical Cannabis research and development programme, and has been assessing various world class strategic relationships to ensure maximum value and productivity from its cutting edge work plan.

The work plan includes research into the unique cultivars and seed bank that the Company owns to maximise the market value of its unique seed bank both to the global market and to patients in need of the product. The work plan also includes utilising cutting edge technology and research to create legal, consistent and approved Medical Cannabis products in the relative short term, produced to the highest possible standards, to supply the multi-billion-dollar global market with a much sought after proven, consistent and reliable Medical Cannabis product.

The Company has been aggressively pursuing these outcomes, and will announce further details as and when there are developments that are ready to be released.

Attached are pictures of the Company's winter crop growth taken on the 31st of July 2017:



Pnina Feldman
Executive Chairperson
Queensland Bauxite Limited

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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 acquired a 55% shareholding in Medical Cannabis Limited, an Australian leader in the hemp and Cannabis industries.





