

5 June 2015

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Drilling Programme Update

In response to numerous shareholder inquiries, the Company wishes to give an interim update on the current status of the ongoing drilling programmes.

The recent regional drilling programme at the South Johnstone Bauxite Project in northern Queensland has concluded and has now identified 19 additional regional areas of bauxite mineralisation throughout the approximately 400 square kilometre Project area. The Company is now methodically infill drilling the currently identified bauxite areas to enable the Company to report quality, quantity and grades of resources to JORC compliant standard, with these further drilling samples being sent to the laboratory on an approximate fortnightly basis.

To this end, a second drilling team has been deployed this week to further accelerate the drilling program – with a particular focus on the high priority target areas that the Company's geologists believe to have the potential to host additional significant resources. This fast-tracked exploration of the high priority target areas will potentially enable the Company's technical team to materially increase the level of JORC Indicated Mineral Resources throughout the current project area.

The Company will report JORC compliant resource upgrades or expansions as a result of the infill drilling, as soon as technically possible.

Through this ongoing strategic exploration program, QBL is aiming to establish a significantly large Indicated Resource which will support a world class bauxite mining and export operation. The Company expects to commence production on the already previously identified JORC Compliant Indicated resources from South Johnstone during calendar year 2015, with necessary preparatory work towards the environmental and mining approvals progressing well and on schedule.

A handwritten signature in blue ink, appearing to read 'Sholom D Feldman'.

Sholom D Feldman
Executive Director
Queensland Bauxite Limited

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Competent Person Statement

The information in this announcement that relates to exploration results or Mineral Resources is based on, and fairly represents, information compiled by Dr Robert Coenraads. Dr Robert Coenraads is a Fellow of the Australasian Institute of Mining and Metallurgy. Dr Coenraads contracts services to Queensland Bauxite Limited. Dr Coenraads has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Dr Coenraads has given his consent to the inclusion in the announcement of the matters based on this information in the form and context in which it appears.

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.