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SUCCESSFUL WINTER CANNABIS CROP GROWING

The Board of Queensland Bauxite Limited (ASX: QBL) is excited to announce that Medical Cannabis Limited (“MCL” or “the Company”) has confirmed successful germination and growth rates of its pioneering winter Cannabis crop.

As announced on 28th April, the Forum of Food Regulations (‘the Forum’, ‘FoFR’) had approved the Board of Food Standards of Australia and New Zealand (FSANZ) recommendations to change the Australian Food Code to allow the consumption of hemp seed foods in Australia. It is anticipated for this law to come into effect in November this year.

<http://www.asx.com.au/asx/statistics/displayAnnouncement.do?display=pdf&idsId=01852159>

This development has major commercial significance for QBL as was detailed on Tuesday 21st March in the following announcement:

<http://www.asx.com.au/asx/statistics/displayAnnouncement.do?display=pdf&idsId=01840774>

As a result of this major development, MCL is set to be one of the pioneering and leading companies involved in providing quality controlled Australian grown hemp foods into what is expected to be a massive multi million dollar industry. It can achieve this because of its unique Australian based Cannabis hemp seed bank developed over many years. With the Company’s currently approved licences to grow hemp, the Company is perfectly positioned to be at the forefront of Australian made hemp seed food products and broader Cannabis industries.

The Company has allocated resources to grow and produce its own legal hemp seed foods, to an approved food code with relevant oversight with enforceable food handling laws to the highest Australian standards which would be recognised world wide.

The Company possesses a unique Cannabis seed bank and licenses to grow in NSW. The Company, through its Vitahemp brand, intends to be the primary and leading supplier into the expected massive industry of legal Cannabis products for human consumption in Australia and globally.

In order to be ready to begin supplying the industry when it is expected to legalise at the end of this year, the Company has now trialed a unique winter crop.

Hemp, or low THC Cannabis is primarily a summer crop and traditionally grown once a year. Through almost 2 decades of extensive cultivation, breeding and selection by MCL's Technical Director Andrew Kavasilas, the Company is using selected cultivars to pioneer year round cropping that will ensure fresh hemp seed is available to Australian consumers in the future.

By developing and ensuring year round production, the Company will seek to not only satisfy local demand, the company can take advantage of out of season opportunities to export to north America

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as well as European countries who have long enjoyed the nutritional benefits of the hemp seed.

Andrew Kavasilas, Vitahemp's founder and MCL's Technical Director said: "We're impressed with the numerous selected transplants that were grown indoors under our unique licenses and arrangements with the NSW Department of Primary Industries, in climate controlled rooms, and planted outdoors in trial bed for further monitoring as they continue on to full maturity."

"As far as we know, we are the only company doing such winter cropping, we anticipate that the industry at large will come to benefit from the unique type of work we're doing in the field."

Pnina Feldman, Executive Chairperson of QBL, said: "We're extremely happy with all this progress and anticipate that the Company will succeed in being the leading supplier of Australian grown hemp seed foods and successful medical Cannabis research cultivation. The Company is currently well on track in its business plan to be able to meet the expected multi million dollar demand for hemp seeds for human consumption during 2018."



Pnina Feldman
Executive Chairperson
Queensland Bauxite Limited

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