

8<sup>th</sup> September 2017

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### **Approval of Environmental Authority for the MDL Work Programme**

The Board of Queensland Bauxite (ASX:QBL) is delighted to announce that, after providing the Department of Natural Resources and Mines (DNRM) and the Department of Environment and Heritage Protection (DEHP) further information and responding to the Departments' queries, Mineral Development License (MDL) approval has been progressed for the South Johnstone Bauxite Project at Camp Creek in Queensland with the important decision received today from the DEHP to approve the amendment to our previous Environmental Authority (EA), to allow for the work programme intended under the MDL.

The EA permit now allows the company to undertake development work as per the intended MDL work programme (subject to MDL grant) in addition to the previously approved exploration activities in the South Johnstone region. The EA amendment approval decision follows on from receiving an assessment level decision earlier this year. The board and management of QBL believe that this EA permit is the last hurdle and paves the way for a decision on the MDL grant in the coming weeks.

As mentioned in the June Quarterly Report, a marketing agency has been signed up to assist in the process of obtaining sales agreements with bauxite refineries. Further, an agreement document (corporate offer to sell bauxite) has been signed with this ore marketing agency. This agency is currently working towards enabling a Sales and Purchase Agreement with a bauxite refinery in regards to the South Johnstone bauxite ore.

The next stage in the project, is to wait for the decision on the MDL grant while still working towards Mining Lease (ML) applications to allow for mining of all the identified bauxite ore resources at Camp Creek.

The bauxite mineralisation at South Johnstone being close to surface and right off the main highway adjacent to port, close to the Asian markets, means that the Company's capital and operational costs are estimated to be of the lowest cost bauxite projects. As previously reported in the Company's released scoping study, capital expenditure is expected to be only approximately \$5 million, and operating expenditure is expected to be only AUD\$20.87 per tonne FOB Mourilyan Harbour. For the full summary of the scoping study please see the announcement released by the Company on 29 December 2014 which can be accessed using the following link:

<http://www.asx.com.au/asx/statistics/displayAnnouncement.do?display=pdf&idsId=01588588>

The operational results from the working of the MDL will be a key part of the overall strategy to develop an export operation in a staged development of South Johnstone that allows for long term mining and export on a prospect by prospect basis at low cost within the entire project area.

The DNRM and the DEHP are departments of the Queensland Government. The DNRM is responsible for regulating Queensland's water, land, mineral and energy resources. The DEHP is

responsible for protecting the state's natural environment and historic places. For further information on these Government Departments see links: [www.dnrm.qld.gov.au](http://www.dnrm.qld.gov.au) and [www.ehp.qld.gov.au](http://www.ehp.qld.gov.au)



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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.

**Competent Person Statement**

*The information in this announcement that relates to exploration results, Exploration Targets 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.*