

Form 603
Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme Queensland Mining Corporation Limited ("QMN")

ACN/ARSN 109 962 469

1. Details of substantial holder (1)

Name This notice is given by Moly Mines Limited (ACN 103 295 521) ("**Moly**") on its own behalf and on behalf of its controlling entities and persons listed in section 3 below.

ACN/ARSN (if applicable) N/A

The holder became a substantial holder on 13/10/2017

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Fully paid ordinary shares ("QMN Shares")	59,223,240	59,223,240	19.99% (based on 296,116,203 QMN Shares on issue on 13 October 2017)

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Moly	Taken under section 608(1) of the Corporations Act to have a relevant interest in the QMN Shares by virtue of having the power to control the exercise of the rights to vote attached to the QMN Shares under the Shareholder's Deed of Undertaking Moly has entered into with Perfect Nation Global Limited (BVI company number 1690685), a true copy of each of which is annexed to this notice as Annexure A , and the Shareholder's Deed of Undertaking Moly has entered into with Great Tang Brothers Resource Investment Pty Ltd (ACN 154 071 593), a true copy of each of which is annexed to this notice as Annexure B .	59,223,240 QMN Shares
Hanlong Mining Investment Pty Ltd (ACN 139 410 709) (" Hanlong Mining ")	Taken under section 608(3)(b) of the Corporations Act to have a relevant interest in the QMN Shares in which Moly has a relevant interest, by virtue of having control of Moly.	59,223,240 QMN Shares
Sichuan Hanlong High Technology Development Co. Ltd (registered in China) (" Hanlong Technology ")	Taken under s 608(3)(b) of the Corporations Act to have a relevant interest in the QMN Shares in which Moly has a relevant interest, by virtue of having control of Hanlong Mining.	59,223,240 QMN Shares

Han LIU*		
* The late Han Liu was executed on 9 February 2015. Since then, a government agency established by the People's Republic of China known as "Han Liu Personal Assets Temporary Management Office" has been established to investigate and understand the personal affairs and assets owned by the late Han Liu. No government order or decision, including any court order, has been made in relation to the estate of the late Han Liu.	Taken under s 608(3)(a) of the Corporations Act to have a relevant interest in the QMN Shares in which Moly has a relevant interest, by virtue of having voting power of more than 20% in Hanlong Technology.	59,223,240 QMN Shares
Sichuan Hanlong Group Co. Ltd (registered in China) (" Hanlong Group ")	Taken under s 608(3)(b) of the Corporations Act to have a relevant interest in the QMN Shares in which Moly has a relevant interest, by virtue of having control of Hanlong Technology.	59,223,240 QMN Shares
Yifan LIU	Taken under s 608(3)(a) of the Corporations Act to have a relevant interest in the QMN Shares in which Moly has a relevant interest, by virtue of having voting power of more than 20% in Hanlong Group.	59,223,240 QMN Shares
Xiaoping LIU	Taken under s 608(3)(a) of the Corporations Act to have a relevant interest in the QMN Shares in which Moly has a relevant interest, by virtue of having voting power of more than 20% in Hanlong Group.	59,223,240 QMN Shares
Geng LIU	Taken under s 608(3)(a) of the Corporations Act to have a relevant interest in the QMN Shares in which Moly has a relevant interest, by virtue of having voting power of more than 20% in Hanlong Group.	59,223,240 QMN Shares
Xue YANG	Taken under s 608(3)(b) of the Corporations Act to have a relevant interest in the QMN Shares in which Moly has a relevant interest, by virtue of having control of Hanlong Group.	59,223,240 QMN Shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Each person named in section 3 above	Perfect Nation Global Limited (BVI company number 1690685)	Perfect Nation Global Limited (BVI company number 1690685)	29,611,620 QMN Shares
Each person named in section 3 above	Great Tang Brothers Resource Investment Pty Ltd (ACN 154 071 593)	Great Tang Brothers Resource Investment Pty Ltd (ACN 154 071 593)	29,611,620 QMN Shares

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)	Class and number of securities
Each person named in section 3 above	13/10/2017	None – a deemed relevant interest	59,223,240 QMN Shares

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
See section 3 above.	See section 3 above.

7. Addresses

The addresses of persons named in this form are as follows:

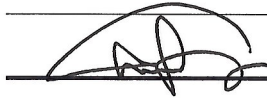
Name	Address
Moly	Level 1, 80 Chandos Street, St Leonards, NSW 2065
Hanlong Mining	Suite 241, 813 Pacific Highway, Chatswood, NSW 2067
Hanlong Technology	20 F Hongda Building, 2 Jinli East Road, ChengDu, Sichuan China
Han LIU*	20 F Hongda Building, 2 Jinli East Road, ChengDu, Sichuan China
Hanlong Group	20 F Hongda Building, 2 Jinli East Road, ChengDu, Sichuan China
Yifan LIU	20 F Hongda Building, 2 Jinli East Road, ChengDu, Sichuan China
Xiaoping LIU	20 F Hongda Building, 2 Jinli East Road, ChengDu, Sichuan China
Geng LIU	20 F Hongda Building, 2 Jinli East Road, ChengDu, Sichuan China
Xue YANG	20 F Hongda Building, 2 Jinli East Road, ChengDu, Sichuan China

Signature

print name Nelson Feng Chen

capacity Director

sign here



date 17/10/2017

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
 - (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
 - (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
 - (4) The voting shares of a company constitute one class unless divided into separate classes.
 - (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
 - (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
 - (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).
- See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown."
 - (9) Details of the consideration must include any and all benefits, moneys and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

- (9) Details of the consideration must include any and all benefits, moneys and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
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Annexure A

This is Annexure A (Shareholder's Deed of Undertaking between Moly and Perfect Nation Global Limited) of 10 pages referred to in the Form 603 Notice of initial substantial holding

Signed by me and dated 17 October 2017

A handwritten signature in black ink, appearing to be 'NFC', written over a horizontal line.

Nelson Feng Chen, Director

SHAREHOLDER'S DEED OF UNDERTAKING

To: The Directors
Moly Mines Limited
Level 1, 80 Chandos Street,
St Leonards,
NSW 2065

13 October 2017

Dear Sirs

Acquisition of shares and other assets from Queensland Mining Corporation Limited (QMC)

We understand that QMC and Moly Mines Limited (**Moly Mines**) today intend to enter into a share sale agreement (**SSA**) with respect to the acquisition of certain assets held or owned by QMC and all of the issued share capital in certain of QMC's wholly owned subsidiaries (**the Transaction**). The key details of the Transaction are set out in the attached draft ASX announcement. Any reference to the Transaction shall include any revision, renewal, supplementation, replacement or variation which is agreed between QMC and Moly Mines.

This deed poll sets out the terms and conditions on which we will vote in favour of the Transaction.

Ownership of the shares in QMC

1. We irrevocably and unconditionally undertake, represent and warrant to Moly Mines that:
 - (a) we are the beneficial owner and registered holder of 112,577,505 ordinary shares in the capital of QMC and that we hold these free of any lien, charge, option, equity or encumbrance; and
 - (b) we have full power and authority (free from any legal or other restrictions), and will at all times continue to have all relevant authority, to enter into this deed poll and to perform the obligations under it and this deed poll constitutes a legal, valid and binding obligation of us enforceable in accordance with its terms by appropriate legal remedy.

Dealings

2. We irrevocably and unconditionally undertake to Moly Mines that we will not:
 - (a) sell, transfer, charge, encumber, grant any option over or otherwise dispose of (or permit any of these things to occur) 29,611,620 ordinary shares in the capital of QMC (**QMC Shares**) (or interest therein);
 - (b) accept any other offer made in competition with the Transaction, or approve any other proposal, arrangement or transaction which is proposed in competition with the Transaction, in respect of the QMC Shares; or
 - (c) acquire any interest in any shares or other securities of QMC.

Irrevocable undertaking to vote in favour of the Transaction

3. We irrevocably and unconditionally undertake to Moly Mines that:

- (a) we will exercise all voting rights attaching to the QMC Shares to vote in favour of all resolutions to approve the Transaction and any related resolutions that are conditional on the passing of a resolution to approve the Transaction (**Transaction Resolution**), proposed at any general meeting of QMC to be convened and held in connection with the Transaction or at any adjournment of any such meeting (**EGM**), and (unless Moly Mines consents otherwise) against any resolution or proposal (whether procedural or otherwise) which conflicts with the implementation of the Transaction (**Conflicting Resolution**);
- (b) we will execute any forms of proxy in respect of the QMC Shares required by Moly Mines appointing any person nominated by Moly Mines to attend and vote at any EGM in respect of the resolutions to approve the Transaction, and any related matters, and will ensure that any such executed forms of proxy are received by QMC's registrars not later than 3.00 p.m. on the seventh day after QMC posts the formal document convening the EGM to QMC shareholders; and
- (c) we will not revoke the terms of any proxy submitted in accordance with paragraph 3(b), either in writing or by attendance at any EGM or otherwise.

Documentation

- 4. We consent to this undertaking being disclosed to (and, if required, a copy be provided to) the ASX Limited (ACN 008 624 691) (**ASX**) or the Australian Securities and Investments Commission (**ASIC**). We consent to this undertaking being publicly disclosed.
- 5. We will promptly give you and QMC all information in relation to our interests in the QMC Shares as you may reasonably require in connection with the Transaction or in order to comply with the requirements of the ASX, ASIC, the *Corporations Act 2001* (Cth) (**Corporations Act**) or any other relevant legal or regulatory requirement or body. We will immediately notify you in writing of any change in the accuracy or truth of any information previously given to you in relation to our interests in the QMC Shares.

Duration of this deed poll

- 6. This deed poll and the undertakings given hereunder will lapse and be of no further effect from the earlier of:
 - (a) the time of completion of the Transaction in accordance with the SSA; and
 - (b) the date that is 12 months after the date of termination of the SSA if termination of the SSA occurs as a result of QMC's shareholders not approving a Transaction Resolution put to them at the EGM, and the date that is 1 month after the date of the termination of the SSA in all other cases.
- 7. If this undertaking lapses, we will have no claim against Moly Mines.

Power of Attorney

- 8. In order to secure the performance of our obligations under this undertaking, we appoint any director of Moly Mines as our attorney:
 - (a) if we fail to comply with any of the undertakings in paragraph 3, in our name and on our behalf to do all things and to execute all deeds and other documents as may be necessary to ensure compliance with such undertakings in respect of the QMC Shares; and
 - (b) to execute any form of proxy required by Moly Mines to appoint any person nominated by Moly Mines to attend any EGM, or at any adjournment of any such

meeting, and vote in favour of any Transaction Resolution and against any Conflicting Resolution.

Specific Performance

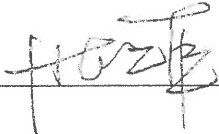
- 9. We agree that, if we fail to vote in favour of the Transaction, or otherwise give effect to the Transaction, in accordance with this deed poll or if we breach any of our obligations, damages would not be an adequate remedy and accordingly Moly Mines shall be entitled to the remedy of specific performance.

Governing Law

- 10. This deed poll is governed by the laws of the State of New South Wales and the Commonwealth of Australia. We irrevocably submit to the exclusive jurisdiction of courts with jurisdiction there.

EXECUTED AS A DEED POLL

EXECUTED by Perfect Nation Global)
Limited (BVI company number 1690685))
by being signed by:



Signature of director

Hui Chen

Name of director (please print)



Signature of director/secretary

Chunni Chen

Name of director/secretary (please print)



Queensland Mining Corporation Limited

ABN: 61 109 962 469

ASX Code: QMN

Phone: +61(2) 9267 8932

Fax: +61(2) 9269 0076

Web: www.qmcl.com.au

Address: Suite 2004, Level 20, 201 Elizabeth Street, Sydney, NSW 2000

ASX Market Announcement

13 October 2017

SALE OF WHITE RANGE PROJECT

Key Highlights

- **Binding agreement signed to sell White Range Project to Moly Mines Limited (MML)**
- **Total consideration is \$53m, comprising \$45m cash and \$8m MML Convertible Notes**
- **Convertible Notes give QMN the right to take a 10% interest in the White Range Project**
- **Sale allows QMN shareholders to realise value through a shareholder distribution or return, while QMN intends to fund further exploration and evaluation of its remaining tenements**

Queensland Mining Corporation Limited (ASX: QMN) (**QMN** or the **Company**) is pleased to announce that it has signed a binding share sale agreement (**SSA**) with Moly Mines Limited (**Moly Mines** or **MML**) to sell its White Range Project to MML.

The White Range Project is centred approximately 40km south of Cloncurry in northwest Queensland, and consists of three main deposits (Greenmount, Kuridala and Young Australian), several smaller deposits (Mt McCabe, Vulcan and Desolation) and numerous advanced exploration prospects (including Copper Canyon, Chopper Ridge and Black Fort).

The tenements that comprise the White Range Project, which are listed in the schedule to this announcement (**White Range Tenements**), are held by five wholly-owned subsidiaries of the Company (**Target Companies**). Accordingly, under the SSA, the Company will sell the total issued share capital of the Target Companies and other assets held by the Company that relate to the White Range Project (**Transaction**).

Rationale for the Transaction

The Company bought the White Range Project in July 2010. Since then, the Company has carried out extensive exploration over many areas of the White Range Tenements in terms of geological

mapping, geochemical sampling and RC/diamond drilling (including a total of 26,533m RC and 2,077m diamond drilling). Accordingly, the Company has incurred substantial expenditure in relation to the White Range Project. In addition, the Company has conducted several drilling programs in Young Australian since 2008, which returned encouraging results. Both drilling programs completed by QMN in the Young Australian and Desolation tenements have successfully defined two more JORC resources, which provide strong support to the overall development of the White Range Project. As a highlight of the exploration successes, the Company recently discovered significant new copper mineralisation in Tank Hill near the Young Australian deposit. The assay results were announced to ASX on 26 September 2017 and 3 October 2017.

The purpose of these exploration activities was to increase the resource base of the White Range Project to make its development more economically viable.

As shareholders are aware, QMN has been actively looking for a partner that can assist to develop the White Range Project since 2015.

While it was the Company's intention to develop the White Range Project with a partner, the directors of the Company believe that MML's offer is attractive and, in the current environment, is preferable to the Company attempting to develop the White Range Project for production on its own. The Transaction will enable QMN shareholders to realise value through a shareholder distribution or return (subject to taxation advice), whilst QMN intends to fund further exploration and evaluation of its remaining tenements.

Share Sale Agreement

The consideration for the Transaction is:

- A\$45 million in cash, payable upon completion of the SSA (**Cash Consideration**); and
- convertible notes in MML with a total face value of A\$8 million (**Convertible Note**), issuable to QMN upon completion of the SSA.

Accordingly, the total consideration payable by MML to QMN under the SSA is cash and securities with a combined value of A\$53 million.

Completion of the Transaction under the SSA is subject to certain conditions precedent, including:

- FIRB approval;
- QMN obtaining all shareholder approvals necessary to effect the Transaction and the related transactions contemplated by the SSA;
- obtaining all necessary government approvals; and
- no breach of warranty has occurred on or before the completion of the Transaction under the SSA where the amount the subject of the claims for such breach exceeds \$5,300,000.

Completion of the Transaction is not subject to MML raising the necessary funds to pay the Cash Consideration.

The material terms of the Convertible Note are as follows:

- **Underlying Shares:** if converted into shares, the convertible notes will convert into fully paid ordinary shares in MML or, if MML or a related body corporate of MML lists on a securities exchange, the listed entity;
- **Security:** first ranking security over the White Range Project;
- **Coupon:** 8% per annum, payable semi-annually in arrears;
- **Maturity Date:** the earlier of –
 - 6 months after MML (or its related body corporate) is admitted on either the Hong Kong Stock Exchange or another securities exchange; and
 - 3 years after the issue date (**Fixed Maturity Date**);
- **Repayment:** repayable in cash:
 - at the election of MML, 3 months after MML (or its parent) is admitted on a securities exchange;
 - (if not converted prior)_at the election of the noteholder on the Fixed Maturity Date, with six months prior notice; or
 - on the first drawdown under a debt or equity funding facility made available to MML by a bank, lending institution or other financier;
- **Conversion Right:** convertible into Underlying Shares at the election of the noteholder at any time MML (or its related body corporate) is admitted to a securities exchange and up to 10 business days before the Fixed Maturity Date; and
- **Project Interest Conversion Right:** if the noteholder has not elected repayment and MML (or its related body corporate) is not admitted to a securities exchange prior to the date that is 30 business days before the Fixed Maturity Date, convertible (at the election of QMN) into a 10% interest in the White Range Project on the Fixed Maturity Date;
- **Mandatory Conversion:** convertible into Underlying Shares on the Maturity Date if the Convertible Note has not been repaid and the Project Interest Conversion Right has not been exercised.

Moly Mines Limited

Moly Mines is an Australian unlisted public company with a focus on identifying near-term mining opportunities. Moly Mines was incorporated in 2004 and quickly focussed on developing projects on the Spinifex Ridge tenements in the Pilbara region of Western Australia. The Spinifex Ridge Molybdenum-copper project was progressed to full permitting and DFS (Definitive Feasibility Study) in 2008 prior to the GFC (Global Financial Crisis) where commodity price changes adversely impacted the economics of the project. The project currently remains on care and maintenance.

In 2010, Moly Mines developed the Spinifex Ridge Iron Ore Mine which operated successfully until 2014, producing direct ship ore exported through Port Hedland. The latter part of the mining operation was undertaken by a third party under a Mine Gate Sale agreement which de-risked the project against iron ore price fluctuations, whilst retaining the tenements under Moly Mines ownership. The money generated from the mining operation and the Mine Gate Sale has been preserved to invest in future mining opportunities.

Moly Mines has a cash balance of approximately A\$57 million.

Shareholder Approval

As noted above, MML is considering listing on HKSE or another securities exchange.

On this basis, ASX Listing Rule 11.4 applies to the Transaction. The Company intends to seek shareholder approval for the Transaction under ASX Listing Rule 11.4.1(b).

ASX has determined that shareholder approval for the Transaction is not required under ASX Listing Rule 11.1.2 or 11.2.

QMN's two largest shareholders are Great Tang Brothers Resource Investment Pty Ltd, which holds approximately 23.66% of the issued shares of QMN (**GTB**) and Perfect Nation Global Limited, which holds approximately 38.02% (**PNG**). Both GTB and PNG have:

- (a) provided to MML certain written undertakings in respect of a total of 20% of the issued shares of QMN, including:
- to vote in favour of all shareholder resolutions required to approve the Transaction; and
 - not to accept any other offer made in competition with the Transaction, or approve any other proposal, arrangement or transaction which is proposed in competition with the Transaction; and
- (b) provided to QMN irrevocable proxies to vote in favour of any shareholder resolution required to approve the Transaction in respect of the balance of their shares.

Each of the Company's directors intends to recommend that the shareholders of the Company approve the Transaction, in the absence of a superior proposal.

Likely Effect of the Transaction on the Company

The likely effect of the Transaction on the Company and its subsidiaries (**Group**) is as follows:

Particulars (‘000)	Before Transaction	Increase/Decrease due to Transaction	After Transaction	Percentage change due to Transaction
Method of Calculation	<i>From latest audited figures¹</i>	<i>Actual Increase/Decrease due to Transaction</i>	B +/- C	C/B
Total Consolidated Assets	25,250,952	36,991,243	62,242,195	146%
Total Equity Interests	24,478,364	36,991,243	61,469,607	151%
Total Securities on Issue	85,681,492	Nil	85,681,492	0%
Annual Profit (before tax)	(7,751,293)	36,991,243	29,329,950 ²	477%
EBITDA	(7,751,293)	36,991,243	29,329,950 ³	477%
Annual Expenditure	2,566,958	(1,140,000) ⁴	1,426,958 ⁵	- 44%

The Company is not proposing to issue securities as a part of, or in connection with, the Transaction.

There are no board or senior management changes of the Company as a part of, or in connection with, the Transaction.

The Group after the Transaction

After completion of the SSA, the Company will continue to be a mining exploration company. It currently holds 36 tenements that are not subject to the Transaction.

¹ Latest audit figures refer to 30 June 2017 and the 12 month period ending on 30 June 2017.

² Pro forma for the 12 month period ending on 30 June 2017.

³ Pro forma for the 12 month period ending on 30 June 2017.

⁴ Amount spent by the Company on the White Range Project during the 12 month period ending on 30 June 2017.

⁵ Pro-forma annual expenditure (less the amount specified in footnote 4) for the 12 month period ending on 30 June 2017.

The Company intends to use its existing cash reserves and part of the Cash Consideration to fund further exploration and evaluation of its remaining tenements.

Subject to taxation advice, the Company also intends to return part of the Cash Consideration to its shareholders by way of a dividend, capital return or share buy-back.

Indicative Timetable

The Company intends to hold an extraordinary general meeting of its shareholders (**EGM**) in order for its shareholders to consider and, if thought fit, approve the Transaction and related transactions in late November or early December 2017.

On this basis, and subject to satisfaction or waiver of the other conditions precedent under the SSA, completion under the SSA will occur in December 2017.

Dr Lakshman Jayaweera, non-executive Chairman of QMN, said "I believe this transaction is in the best interest of all shareholders as it provides a quick, superior and secure return on our investment in the White Range Project. Subject to taxation advice, QMN intends to distribute most of the Cash Consideration to shareholders by way of a dividend, capital return or share buy-back. The remaining part of the Cash Consideration will be used to fund further exploration of its remaining tenements and also to explore other potential opportunities with the objective of creating shareholder value and ultimately giving further return to shareholders. I would like to express my appreciation to our shareholders for their continuous support during the prolonged downturn of the mining industry. I would also like to thank the QMN team for the great efforts they've made. In the meantime, we congratulate Moly Mines as the new owner and developer of the high grade and low cost White Range copper project. We look forward to sharing the success with Moly Mines and potentially being part of the next producing copper mine in Australia."

For further details, please contact:

Eddy Wu (CEO)

Tel: (+61 2) 9267 8932

Email: admin@qmcl.com.au

or visit our website at: www.qmcl.com.au

Schedule – White Range Tenements

Held by White Range Mines Pty Ltd:

- ML 2519
- ML90081
- ML 90082
- ML 90134
- ML 90161
- MDL 204
- MDL 205

Held by North Queensland Mines Pty Ltd:

- ML 2788
- ML 7511
- ML7512
- ML 90084
- ML 90099
- ML 90149

Held by Sierra Line Pty Ltd:

- EPM 14148
- EPM 15897
- EPM 25849

Held by Iron Ridge - Black Fort Pty Ltd:

- 85% interest in EPM 17602

Annexure B

This is Annexure B (Shareholder's Deed of Undertaking between Moly and Great Tang Brothers Resource Investment Pty Ltd) of 10 pages referred to in the Form 603 Notice of initial substantial holding

Signed by me and dated 17 October 2017

A handwritten signature in black ink, appearing to be 'NFC', written over a horizontal line.

Nelson Feng Chen, Director

SHAREHOLDER'S DEED OF UNDERTAKING

To: The Directors
Moly Mines Limited
Level 1, 80 Chandos Street,
St Leonards,
NSW 2065

13 October 2017

Dear Sirs

Acquisition of shares and other assets from Queensland Mining Corporation Limited (QMC)

We understand that QMC and Moly Mines Limited (**Moly Mines**) today intend to enter into a share sale agreement (**SSA**) with respect to the acquisition of certain assets held or owned by QMC and all of the issued share capital in certain of QMC's wholly owned subsidiaries (**the Transaction**). The key details of the Transaction are set out in the attached draft ASX announcement. Any reference to the Transaction shall include any revision, renewal, supplementation, replacement or variation which is agreed between QMC and Moly Mines.

This deed poll sets out the terms and conditions on which we will vote in favour of the Transaction.

Ownership of the shares in QMC

1. We irrevocably and unconditionally undertake, represent and warrant to Moly Mines that:
 - (a) we are the beneficial owner and registered holder of 70,067,200 ordinary shares in the capital of QMC and that we hold these free of any lien, charge, option, equity or encumbrance; and
 - (b) we have full power and authority (free from any legal or other restrictions), and will at all times continue to have all relevant authority, to enter into this deed poll and to perform the obligations under it and this deed poll constitutes a legal, valid and binding obligation of us enforceable in accordance with its terms by appropriate legal remedy.

Dealings

2. We irrevocably and unconditionally undertake to Moly Mines that we will not:
 - (a) sell, transfer, charge, encumber, grant any option over or otherwise dispose of (or permit any of these things to occur) 29,611,620 ordinary shares in the capital of QMC (**QMC Shares**) (or interest therein);
 - (b) accept any other offer made in competition with the Transaction, or approve any other proposal, arrangement or transaction which is proposed in competition with the Transaction, in respect of the QMC Shares; or
 - (c) acquire any interest in any shares or other securities of QMC.

Irrevocable undertaking to vote in favour of the Transaction

3. We irrevocably and unconditionally undertake to Moly Mines that:

- (a) we will exercise all voting rights attaching to the QMC Shares to vote in favour of all resolutions to approve the Transaction and any related resolutions that are conditional on the passing of a resolution to approve the Transaction (**Transaction Resolution**), proposed at any general meeting of QMC to be convened and held in connection with the Transaction or at any adjournment of any such meeting (**EGM**), and (unless Moly Mines consents otherwise) against any resolution or proposal (whether procedural or otherwise) which conflicts with the implementation of the Transaction (**Conflicting Resolution**);
- (b) we will execute any forms of proxy in respect of the QMC Shares required by Moly Mines appointing any person nominated by Moly Mines to attend and vote at any EGM in respect of the resolutions to approve the Transaction, and any related matters, and will ensure that any such executed forms of proxy are received by QMC's registrars not later than 3.00 p.m. on the seventh day after QMC posts the formal document convening the EGM to QMC shareholders; and
- (c) we will not revoke the terms of any proxy submitted in accordance with paragraph 3(b), either in writing or by attendance at any EGM or otherwise.

Documentation

- 4. We consent to this undertaking being disclosed to (and, if required, a copy be provided to) the ASX Limited (ACN 008 624 691) (**ASX**) or the Australian Securities and Investments Commission (**ASIC**). We consent to this undertaking being publicly disclosed.
- 5. We will promptly give you and QMC all information in relation to our interests in the QMC Shares as you may reasonably require in connection with the Transaction or in order to comply with the requirements of the ASX, ASIC, the *Corporations Act 2001* (Cth) (**Corporations Act**) or any other relevant legal or regulatory requirement or body. We will immediately notify you in writing of any change in the accuracy or truth of any information previously given to you in relation to our interests in the QMC Shares.

Duration of this deed poll

- 6. This deed poll and the undertakings given hereunder will lapse and be of no further effect from the earlier of:
 - (a) the time of completion of the Transaction in accordance with the SSA; and
 - (b) the date that is 12 months after the date of termination of the SSA if termination of the SSA occurs as a result of QMC's shareholders not approving a Transaction Resolution put to them at the EGM, and the date that is 1 month after the date of the termination of the SSA in all other cases.
- 7. If this undertaking lapses, we will have no claim against Moly Mines.

Power of Attorney

- 8. In order to secure the performance of our obligations under this undertaking, we appoint any director of Moly Mines as our attorney:
 - (a) if we fail to comply with any of the undertakings in paragraph 3, in our name and on our behalf to do all things and to execute all deeds and other documents as may be necessary to ensure compliance with such undertakings in respect of the QMC Shares; and
 - (b) to execute any form of proxy required by Moly Mines to appoint any person nominated by Moly Mines to attend any EGM, or at any adjournment of any such

meeting, and vote in favour of any Transaction Resolution and against any Conflicting Resolution.

Specific Performance

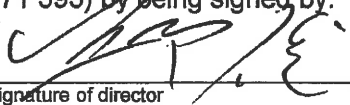
9. We agree that, if we fail to vote in favour of the Transaction, or otherwise give effect to the Transaction, in accordance with this deed poll or if we breach any of our obligations, damages would not be an adequate remedy and accordingly Moly Mines shall be entitled to the remedy of specific performance.

Governing Law

10. This deed poll is governed by the laws of the State of New South Wales and the Commonwealth of Australia. We irrevocably submit to the exclusive jurisdiction of courts with jurisdiction there.

EXECUTED AS A DEED POLL

EXECUTED by Great Tang Brothers)
Resource Investment Pty Ltd (ACN 154)
071 593) by Being signed by:



Signature of director

JUN QIU

Name of director (please print)



Signature of director/secretary

KUN DENG

Name of director/secretary (please print)



Queensland Mining Corporation Limited

ABN: 61 109 962 469

ASX Code: QMN

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ASX Market Announcement

13 October 2017

SALE OF WHITE RANGE PROJECT

Key Highlights

- **Binding agreement signed to sell White Range Project to Moly Mines Limited (MML)**
- **Total consideration is \$53m, comprising \$45m cash and \$8m MML Convertible Notes**
- **Convertible Notes give QMN the right to take a 10% interest in the White Range Project**
- **Sale allows QMN shareholders to realise value through a shareholder distribution or return, while QMN intends to fund further exploration and evaluation of its remaining tenements**

Queensland Mining Corporation Limited (ASX: QMN) (**QMN** or the **Company**) is pleased to announce that it has signed a binding share sale agreement (**SSA**) with Moly Mines Limited (**Moly Mines** or **MML**) to sell its White Range Project to MML.

The White Range Project is centred approximately 40km south of Cloncurry in northwest Queensland, and consists of three main deposits (Greenmount, Kuridala and Young Australian), several smaller deposits (Mt McCabe, Vulcan and Desolation) and numerous advanced exploration prospects (including Copper Canyon, Chopper Ridge and Black Fort).

The tenements that comprise the White Range Project, which are listed in the schedule to this announcement (**White Range Tenements**), are held by five wholly-owned subsidiaries of the Company (**Target Companies**). Accordingly, under the SSA, the Company will sell the total issued share capital of the Target Companies and other assets held by the Company that relate to the White Range Project (**Transaction**).

Rationale for the Transaction

The Company bought the White Range Project in July 2010. Since then, the Company has carried out extensive exploration over many areas of the White Range Tenements in terms of geological

mapping, geochemical sampling and RC/diamond drilling (including a total of 26,533m RC and 2,077m diamond drilling). Accordingly, the Company has incurred substantial expenditure in relation to the White Range Project. In addition, the Company has conducted several drilling programs in Young Australian since 2008, which returned encouraging results. Both drilling programs completed by QMN in the Young Australian and Desolation tenements have successfully defined two more JORC resources, which provide strong support to the overall development of the White Range Project. As a highlight of the exploration successes, the Company recently discovered significant new copper mineralisation in Tank Hill near the Young Australian deposit. The assay results were announced to ASX on 26 September 2017 and 3 October 2017.

The purpose of these exploration activities was to increase the resource base of the White Range Project to make its development more economically viable.

As shareholders are aware, QMN has been actively looking for a partner that can assist to develop the White Range Project since 2015.

While it was the Company's intention to develop the White Range Project with a partner, the directors of the Company believe that MML's offer is attractive and, in the current environment, is preferable to the Company attempting to develop the White Range Project for production on its own. The Transaction will enable QMN shareholders to realise value through a shareholder distribution or return (subject to taxation advice), whilst QMN intends to fund further exploration and evaluation of its remaining tenements.

Share Sale Agreement

The consideration for the Transaction is:

- A\$45 million in cash, payable upon completion of the SSA (**Cash Consideration**); and
- convertible notes in MML with a total face value of A\$8 million (**Convertible Note**), issuable to QMN upon completion of the SSA.

Accordingly, the total consideration payable by MML to QMN under the SSA is cash and securities with a combined value of A\$53 million.

Completion of the Transaction under the SSA is subject to certain conditions precedent, including:

- FIRB approval;
- QMN obtaining all shareholder approvals necessary to effect the Transaction and the related transactions contemplated by the SSA;
- obtaining all necessary government approvals; and
- no breach of warranty has occurred on or before the completion of the Transaction under the SSA where the amount the subject of the claims for such breach exceeds \$5,300,000.

Completion of the Transaction is not subject to MML raising the necessary funds to pay the Cash Consideration.

The material terms of the Convertible Note are as follows:

- **Underlying Shares:** if converted into shares, the convertible notes will convert into fully paid ordinary shares in MML or, if MML or a related body corporate of MML lists on a securities exchange, the listed entity;
- **Security:** first ranking security over the White Range Project;
- **Coupon:** 8% per annum, payable semi-annually in arrears;
- **Maturity Date:** the earlier of –
 - 6 months after MML (or its related body corporate) is admitted on either the Hong Kong Stock Exchange or another securities exchange; and
 - 3 years after the issue date (**Fixed Maturity Date**);
- **Repayment:** repayable in cash:
 - at the election of MML, 3 months after MML (or its parent) is admitted on a securities exchange;
 - (if not converted prior)_at the election of the noteholder on the Fixed Maturity Date, with six months prior notice; or
 - on the first drawdown under a debt or equity funding facility made available to MML by a bank, lending institution or other financier;
- **Conversion Right:** convertible into Underlying Shares at the election of the noteholder at any time MML (or its related body corporate) is admitted to a securities exchange and up to 10 business days before the Fixed Maturity Date; and
- **Project Interest Conversion Right:** if the noteholder has not elected repayment and MML (or its related body corporate) is not admitted to a securities exchange prior to the date that is 30 business days before the Fixed Maturity Date, convertible (at the election of QMN) into a 10% interest in the White Range Project on the Fixed Maturity Date;
- **Mandatory Conversion:** convertible into Underlying Shares on the Maturity Date if the Convertible Note has not been repaid and the Project Interest Conversion Right has not been exercised.

Moly Mines Limited

Moly Mines is an Australian unlisted public company with a focus on identifying near-term mining opportunities. Moly Mines was incorporated in 2004 and quickly focussed on developing projects on the Spinifex Ridge tenements in the Pilbara region of Western Australia. The Spinifex Ridge Molybdenum-copper project was progressed to full permitting and DFS (Definitive Feasibility Study) in 2008 prior to the GFC (Global Financial Crisis) where commodity price changes adversely impacted the economics of the project. The project currently remains on care and maintenance.

In 2010, Moly Mines developed the Spinifex Ridge Iron Ore Mine which operated successfully until 2014, producing direct ship ore exported through Port Hedland. The latter part of the mining operation was undertaken by a third party under a Mine Gate Sale agreement which de-risked the project against iron ore price fluctuations, whilst retaining the tenements under Moly Mines ownership. The money generated from the mining operation and the Mine Gate Sale has been preserved to invest in future mining opportunities.

Moly Mines has a cash balance of approximately A\$57 million.

Shareholder Approval

As noted above, MML is considering listing on HKSE or another securities exchange.

On this basis, ASX Listing Rule 11.4 applies to the Transaction. The Company intends to seek shareholder approval for the Transaction under ASX Listing Rule 11.4.1(b).

ASX has determined that shareholder approval for the Transaction is not required under ASX Listing Rule 11.1.2 or 11.2.

QMN's two largest shareholders are Great Tang Brothers Resource Investment Pty Ltd, which holds approximately 23.66% of the issued shares of QMN (**GTB**) and Perfect Nation Global Limited, which holds approximately 38.02% (**PNG**). Both GTB and PNG have:

- (a) provided to MML certain written undertakings in respect of a total of 20% of the issued shares of QMN, including:
- to vote in favour of all shareholder resolutions required to approve the Transaction; and
 - not to accept any other offer made in competition with the Transaction, or approve any other proposal, arrangement or transaction which is proposed in competition with the Transaction; and
- (b) provided to QMN irrevocable proxies to vote in favour of any shareholder resolution required to approve the Transaction in respect of the balance of their shares.

Each of the Company's directors intends to recommend that the shareholders of the Company approve the Transaction, in the absence of a superior proposal.

Likely Effect of the Transaction on the Company

The likely effect of the Transaction on the Company and its subsidiaries (**Group**) is as follows:

Particulars (‘000)	Before Transaction	Increase/Decrease due to Transaction	After Transaction	Percentage change due to Transaction
Method of Calculation	<i>From latest audited figures¹</i>	<i>Actual Increase/Decrease due to Transaction</i>	B +/- C	C/B
Total Consolidated Assets	25,250,952	36,991,243	62,242,195	146%
Total Equity Interests	24,478,364	36,991,243	61,469,607	151%
Total Securities on Issue	85,681,492	Nil	85,681,492	0%
Annual Profit (before tax)	(7,751,293)	36,991,243	29,329,950 ²	477%
EBITDA	(7,751,293)	36,991,243	29,329,950 ³	477%
Annual Expenditure	2,566,958	(1,140,000) ⁴	1,426,958 ⁵	- 44%

The Company is not proposing to issue securities as a part of, or in connection with, the Transaction.

There are no board or senior management changes of the Company as a part of, or in connection with, the Transaction.

The Group after the Transaction

After completion of the SSA, the Company will continue to be a mining exploration company. It currently holds 36 tenements that are not subject to the Transaction.

¹ Latest audit figures refer to 30 June 2017 and the 12 month period ending on 30 June 2017.

² Pro forma for the 12 month period ending on 30 June 2017.

³ Pro forma for the 12 month period ending on 30 June 2017.

⁴ Amount spent by the Company on the White Range Project during the 12 month period ending on 30 June 2017.

⁵ Pro-forma annual expenditure (less the amount specified in footnote 4) for the 12 month period ending on 30 June 2017.

The Company intends to use its existing cash reserves and part of the Cash Consideration to fund further exploration and evaluation of its remaining tenements.

Subject to taxation advice, the Company also intends to return part of the Cash Consideration to its shareholders by way of a dividend, capital return or share buy-back.

Indicative Timetable

The Company intends to hold an extraordinary general meeting of its shareholders (**EGM**) in order for its shareholders to consider and, if thought fit, approve the Transaction and related transactions in late November or early December 2017.

On this basis, and subject to satisfaction or waiver of the other conditions precedent under the SSA, completion under the SSA will occur in December 2017.

Dr Lakshman Jayaweera, non-executive Chairman of QMN, said "I believe this transaction is in the best interest of all shareholders as it provides a quick, superior and secure return on our investment in the White Range Project. Subject to taxation advice, QMN intends to distribute most of the Cash Consideration to shareholders by way of a dividend, capital return or share buy-back. The remaining part of the Cash Consideration will be used to fund further exploration of its remaining tenements and also to explore other potential opportunities with the objective of creating shareholder value and ultimately giving further return to shareholders. I would like to express my appreciation to our shareholders for their continuous support during the prolonged downturn of the mining industry. I would also like to thank the QMN team for the great efforts they've made. In the meantime, we congratulate Moly Mines as the new owner and developer of the high grade and low cost White Range copper project. We look forward to sharing the success with Moly Mines and potentially being part of the next producing copper mine in Australia."

For further details, please contact:

Eddy Wu (CEO)

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Email: admin@qmcl.com.au

or visit our website at: www.qmcl.com.au

Schedule – White Range Tenements

Held by White Range Mines Pty Ltd:

- ML 2519
- ML90081
- ML 90082
- ML 90134
- ML 90161
- MDL 204
- MDL 205

Held by North Queensland Mines Pty Ltd:

- ML 2788
- ML 7511
- ML7512
- ML 90084
- ML 90099
- ML 90149

Held by Sierra Line Pty Ltd:

- EPM 14148
- EPM 15897
- EPM 25849

Held by Iron Ridge - Black Fort Pty Ltd:

- 85% interest in EPM 17602