



Queensland Mining Corporation Limited

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ASX Market Announcement

Chairman address at the 2017 AGM

Dear Shareholders and the Invitees,

It has been a great privilege to address you today with some significant development in Queensland Mining Corporation both in the corporate and resource development aspect of your company. After number of challenging years, we have now been able to increase the value of your assets both from the market capitalisation prospective and in the resource reserve point of view.

Today, QMC has come a long way, despite the poor economic conditions faced by the mining industry in the last few years. We have been able to weather down those hurdles and managed to bring your company to a recognisable level today in Australia as an emerging low cost copper mining company.

As you are aware, on 13 October 2017, we have announced that the company has entered into a binding share sales agreement with Moly Mines Limited (MML) to sell our White Range Project. Details of the proposed transaction have been made available to the shareholders via the announcement. The agreement is subject to number of conditions to be fulfilled by the parties which includes QMC shareholders approval.

The total consideration of the transaction is \$53 million, comprising \$45 million in cash and \$8 million in MML convertible notes. This significant outcome would have not been possible if not for the high quality development work done by our management in the recent years and also followed by the promising exploration results of our White Range assets.

Our intention, assuming this transaction completes, is to distribute approximately 90% of the cash proceeds from this transaction to the shareholders. This is about total of \$40 million to be distributed to about 300 million shares issued on pro rata basis. Subject to obtaining a class tax ruling from the ATO, the distribution will be made in the form that can maximise the tax benefit of the shareholders.

As there are some delays in obtaining necessary approvals and satisfying pre-conditions to the sale both QMC and MML has agreed to extend the date for QMC to hold an EGM to January 2018.

We strongly believe the transaction will give you a good opportunity to realise the value of our investment in the near future over an alternatives option by developing the assets to production and take unpredictable prolonged time to receive our return of investment.

Once the above transaction is completed we intend to explore other opportunities available to the company such as development of the remaining mining projects held by the company and acquisition of new projects to create further value to the company.

I like to take this opportunity to thank all our shareholders for their patience and full support given to us and also trusting us bringing your company to this remarkable stage of development. I also like to thank the management and the Board for their dedication in the past few years.

Thank you

Dr Lakshman Jayaweera
Chairman