Lander & Rogers

Lawyers

15 December 2017

Market Announcements Office ASX Limited 20 Bridge Street Sydney NSW 2000 Our ref: Office: ADI: 2064048

Sydney

Dear Sir / Madam

Takeover bid by Moly Mines Limited for Queensland Mining Corporation Limited

We act for Moly Mines Limited (ACN 103 295 521) (Moly).

In accordance with item 5 of subsection 633(1) of the *Corporations Act 2001* (Cth) (the **Corporations Act**) we attach a copy of Moly's bidder's statement, which includes a proposed offer to acquire all of the ordinary shares in Queensland Mining Corporation Limited (ACN 109 962 469) (**QMC**) by way of off-market takeover bid (the **Bidder's Statement**).

The Bidder's Statement was lodged with the Australian Securities and Investments Commission and served on QMC today.

In accordance with subsection 633(4) of the Corporations Act, Moly gives notice that the date set by it for the purposes of section 633(2) of the Corporations Act (i.e. the date for determining the holders of QMC securities to be sent the Bidder's Statement) is 15 December 2017.

Yours faithfully

Alex Ding | Partner D +61 2 8020 7999 ading@landers.com.au

Eddy Goldsmith | Special Counsel D +61 2 8020 7636 egoldsmith@landers.com.au

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This document contains important information and requires your immediate attention.

If you are in any doubt as to how to deal with this document, you should consult your legal, financial or other professional adviser immediately.

ACCEPT THE CASH OFFER

BY MOLY MINES LIMITED (ACN 103 295 521)

TO ACQUIRE ALL OF YOUR FULLY PAID ORDINARY SHARES IN

QUEENSLAND MINING CORPORATION LIMITED (ACN 109 962 469)

FOR A\$0.17 IN CASH FOR EACH QMC SHARE

BIDDER'S STATEMENT

If you have any questions about the Offer or this Bidder's Statement or about how to accept the Offer, please call the shareholder information line on 1300 105 041 (within Australia) or +61 3 9415 4326 (outside Australia) on Monday to Friday between 8.30am and 5.00pm (Sydney time).



Lander & Rogers
Lawyers

Financial Adviser to Moly

Legal Adviser to Moly

KEY DATES

Date of this Bidder's Statement	15 December 2017
Offer Date	18 December 2017
Offer Period closes (unless extended or withdrawn)	7.00pm (Sydney time) on 19 January 2018

KEY CONTACTS

Moly Mines Limited	Solicitors to Moly Mines Limited
Level 1, 80 Chandos Street	Lander & Rogers
St Leonards NSW 2065	Level 19, 123 Pitt Street
	Sydney NSW 2000
Phone: +61 (2) 9437 1284	Phone: +61 (2) 8020 7700
Current Directors	Financial Adviser
Nelson Chen – Non-Executive Chairman	BurnVoir Corporate Finance Limited
Greg Jones – Managing Director (acting)	Level 12, 28 O'Connell Street
Lou Guo Qing - Non-Executive Director	Sydney NSW 2000
Ivo Polovineo – Non-Executive Director	Phone: +61 (2) 8078 6400
Website	Share Registrar for the Offer
www.molymines.com	Computershare Investor Services Pty Limited
	Level 4, 60 Carrington Street
	Sydney NSW 2000

Important Notices

Nature of this document

This document is the Bidder's Statement dated 15 December 2017 issued by Moly Mines Limited (ACN 103 295 521) (**Moly**) to Queensland Mining Corporation Limited (ACN 109 962 469) (**QMC**) under Part 6.5 of Chapter 6 of the Corporations Act and in compliance with the requirements of Sections 636 and 637 of the Corporations Act, in relation to an off-market takeover bid for all QMC Shares (**Takeover Bid**).

Section 9 of this Bidder's Statement contains the formal terms of Moly's Offer and other information relevant to your decision whether to accept the Offer.

A copy of this Bidder's Statement was lodged with the Australian Securities and Investments Commission (**ASIC**) on 15 December 2017. Neither ASIC nor any of its officers takes any responsibility for the content of this Bidder's Statement.

Date of the Offer

This Bidder's Statement is dated 15 December 2017. It includes an Offer dated 18 December 2017 (**Offer Date**) in Section 9 of this document.

Investment Advice

This Bidder's Statement does not take into account the individual investment objectives, financial situation and particular needs of each QMC Shareholder. The information and recommendations contained in this Bidder's Statement do not constitute, and should not be taken as, financial product advice. The Moly Board recommends that you seek independent financial, legal and taxation advice before making a decision as to whether or not to accept the Offer for your QMC Shares.

This Bidder's Statement is important and requires your immediate attention. You should read this Bidder's Statement in its entirety before deciding whether or not to accept the Offer. In particular, it is important that you consider the possible consequences of not accepting the Offer, as set out in Section 1 of this Bidder's Statement.

How to Accept

The manner by which you accept the Offer will depend on the nature and type of your holding in QMC. Full details of how to accept the Offer are set out in Section 9.4 and a summary is set out in Section 2 of this Bidder's Statement. Acceptances must be received before the end of the Offer Period.

Privacy

Moly has obtained your information from the register of QMC Shareholders for the purpose of making the Offer and, if accepted, administering your holding of QMC Shares.

The type of information Moly has collected about you includes your name, contact details and information on your shareholding in QMC. Without this information, Moly would be hindered in its ability to issue this Bidder's Statement.

The Corporations Act requires the names and addresses of QMC Shareholders to be held in a public register. Your information, only as contained in the public register, may be disclosed to the Moly Group and external service providers for the purposes of completing this transaction. It may also be required to be disclosed to regulators such as ASIC and ASX.

Moly Details

The registered address of Moly is Level 1, 80 Chandos Street, St Leonards, NSW 2065.

Defined Terms

Terms used in this Bidder's Statement and Offer are defined in Schedule 1. In addition, unless the contrary intention appears or the context requires otherwise, words and phrases used in this Bidder's Statement that are defined in the Corporations Act have the same meaning and interpretation as in the Corporations Act.

Responsibility for information

The information contained in this Bidder's Statement has been prepared by Moly and is its responsibility alone.

Forward Looking Statements

This Bidder's Statement includes certain forward looking statements. Forward looking statements or statements of intent in relation to future events in this Bidder's Statement should not be taken to be forecasts or predictions that those events will occur. All forward looking statements in this Bidder's Statement reflect views only as at the date of this Bidder's Statement, and generally may be identified by the use of forward looking words such as "believe", "aim", "expect", "anticipate", "intending", "foreseeing", "likely", "should", "planned", "may", "estimate", "potential", or other similar words. Similarly, statements that describe the objectives, plans, goals or expectations of Moly or any member of the Moly Group may be forward looking statements.

If such statements relate to future matters, they are subject to inherent risks and uncertainties. These risks and uncertainties include factors and risks specific to the industry in which QMC and Moly and the members of the QMC Group and Moly Group operate as well as matters such as general economic conditions outside the control of Moly and its directors. Any such statements are also affected by a range of variables which include, but are not limited to commodity price fluctuations, input price fluctuations, currency fluctuations, actual demand, geotechnical factors, operating results, governmental and regulatory factors affecting local and foreign parties, economic, financial and political conditions in various countries, approvals and cost estimates. These factors may cause the actual results, performance or achievements of Moly or QMC (which will become a subsidiary of Moly if the Offer is successful) to differ, perhaps materially, from the results, performance or achievements expressed or implied by those forward looking statements. The past performance of Moly or QMC is not a guarantee of future performance.

None of Moly, its Subsidiaries or their respective officers, directors, employees or advisers, any persons named in this Bidder's Statement with their consent or any person involved in the preparation of this Bidder's Statement, makes any undertaking, representation or warranty (express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any events or results expressed or implied in any forward looking statement, except to the extent required by law. You are cautioned not to place undue reliance on any forward looking statement.

Disclaimer as to information

Information in this document about QMC, QMC's securities and the QMC Group has been prepared based on publicly available information and limited due diligence conducted by Moly to confirm publicly available information and should not be considered comprehensive.

Moly has not independently verified all publicly available information. Accordingly, subject to the Corporations Act, Moly does not make any representation or give any express or implied warranty as to the accuracy or completeness of such information.

Further information relating to QMC's business may be included in QMC's Target's Statement which QMC must provide to its shareholders in response to this Bidder's Statement.

Websites

Moly maintains an internet site. The Moly website is http://www.molymines.com. Information contained in, or otherwise accessible through, this internet site is not a part of this Bidder's Statement. All references in this Bidder's Statement to this internet site are inactive textual references to this internet site and are for your information only.

Charts, maps and diagrams

Any diagrams, charts, maps, graphs or tables appearing in this Bidder's Statement are illustrative only and may not be drawn to scale. Unless stated otherwise, all data contained in diagrams, charts, maps, graphs and tables are based on information available at the date immediately prior to the date of this Bidder's Statement.

Effect of rounding

A number of figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Bidder's Statement are subject to the effect of rounding. Accordingly their actual calculations may differ from the calculations set out in this Bidder's Statement.

CHAIRMAN'S LETTER

15 December 2017

Dear QMC Shareholder,

I have the pleasure of enclosing an offer by Moly Mines Limited (**Moly**) to acquire all of your shares in Queensland Mining Corporation Limited (**QMC**) for A\$0.17 in cash for every 1 of your QMC Shares (the **Offer**).

QMC's Board of Directors unanimously recommends that QMC Shareholders ACCEPT the Offer in the absence of a Superior Proposal

The Offer, provided to all QMC shareholders, is significantly better than recent share price performance of QMC and provides QMC shareholders with a cash payment to realise this benefit on acceptance of the Offer.

On completion of the Offer, Moly will:

- (a) be able first to provide a platform to develop the White Range project and secondarily realise value from QMC's other projects; and
- (b) deliver on its strategy to reinvest the profits of its past success in the Australian mining industry through the development of the White Range project and other projects.

How to ACCEPT the Offer

Please carefully read this Bidder's Statement. The Offer is subject to a number of conditions, which include:

- Moly acquiring a relevant interest in at least 50.01% of all QMC Shares on issue:
- no material adverse change in QMC; and
- no material acquisitions, disposals or new commitments being made by QMC.

The full terms and conditions of the Offer are set out in Section 9 of the Bidder's Statement. The Offer is scheduled to close at 7.00pm (Sydney time) on 19 January 2018 unless extended or withdrawn in accordance with the Corporations Act.

If you have any questions about the Offer, please do not hesitate to contact your broker or financial adviser, or call 1300 105 041 (within Australia) or +61 3 9415 4326 (outside Australia) on Monday to Friday between 8.30am and 5.00pm (Sydney time).

I strongly encourage you to carefully read this Bidder's Statement and then ACCEPT the Offer as soon as possible.

Yours sincerely

Nelson Chen Chairman

Moly Mines Limited

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1. WHY YOU SHOULD ACCEPT THE OFFER

1.1 Cash payment to shareholders

QMC's shareholders have been supporting the QMC Board and QMC management in recent years in anticipation of the development of the flagship White Range project, however there has been only modest exploration and development work on the project until mid-2017. While this development may appear to be promising to you, the shareholder, it is unlikely that QMC will be able to advance the project to production given its cash position and the limited experience that the current QMC Board and management has in development and mining operations. The Moly Board has the experience and resources available to ensure that the project is advanced to production.

The cash consideration amounts to A\$0.17 for every QMC Share which is 36% higher than QMC's share price as at close of trading on ASX on 14 December 2017. This is a significant increase and is an Offer that brings value to you immediately.

1.2 Development of the White Range project

Moly believes that the White Range project is a commercially attractive project for Moly to reinvest the profits of its past success in the Australian mining industry. Furthermore, Moly believes it has the experience, financial resources and skills necessary to bring the White Range project into production.

QMC does not have the financial capacity or expertise to bring the White Range project to production. Moly understands that its current cash balance is approximately A\$2.1 million, while it is anticipated a definitive feasibility study for the White Range Project will cost up to A\$10 million.

As indicated in its Annual Report for the year ended 30 June 2017, QMC's strategy in the last 12 months has been to divest certain assets in order to minimise holding costs which have been putting pressure on its limited cash reserves. In recent times, QMC has had sufficient financial resources only to undertake the minimum levels of investment required to maintain the tenements.

1.3 There are consequences of not accepting Moly's Offer

Given the attractive nature of the Offer, Moly believes that it is likely that a significant proportion of QMC Shareholders will accept the Offer. In this regard, it is worth noting that two of QMC's major shareholders, Perfect Nation Global Limited and Great Tang Brothers Resource Investment Pty Ltd, have each provided an undertaking to Moly to accept the Offer by 20 December 2017 in relation to 29,611,620 of their QMC Shares (59,223,240 QMC Shares, or 20.0% of the QMC Shares on issue, in aggregate).

However, if you choose not to accept the Offer you should be aware of certain risks that may emerge as follows:

- In the absence of this Offer, QMC's Share price may drop to pre-Offer levels or below.
- If Moly becomes the controlling shareholder in QMC and QMC remains an ASX listed company, the market for your QMC Shares may be less liquid or active. Also, if Moly becomes the controlling shareholder in QMC, it may take steps to seek the de-listing of QMC from the ASX. In either case, it could be more difficult to sell your QMC Shares later, should you choose to do so.

 If Moly obtains acceptances in respect of at least 90% of QMC Shares Moly may (but is not obliged to) compulsorily acquire your QMC Shares. If your QMC Shares are compulsorily acquired, you will be paid the Offer Consideration at a later date than you would have received it if you had accepted the Offer.

You should consult your broker or financial adviser to ascertain the impact of the risks outlined above on the value of your QMC Shares.

1.4 There have been no alternative offers for QMC to date

As at the date of this Bidder's Statement, no other party has made a competing offer for QMC, and Moly is not aware of any other proposals.

2. SUMMARY OF THE OFFER

This summary of the Offer provides a general overview only and should be read together with the detailed information set out in the remainder of this Bidder's Statement.

The Bidder	Moly Mines Limited (ACN 103 295 5 making the offer to acquire all of the Mining Corporation Limited (ACN 10	ordinary shares in Queensland
Offer	Moly offers to acquire ALL of your Caccept the Offer in respect of 100% hold.	QMC Shares. You may only of the QMC Shares that you
Offer Consideration	Moly is offering A\$0.17 in cash for e	very 1 of your QMC Shares.
Key dates	Bidder's Statement lodged with ASIC	15 December 2017
	Offer Date	18 December 2017
And the Control of the Control	Offer Period closes (unless extended or withdrawn)	19 January 2018
Payment of Offer Consideration	You will be paid for your QMC Shares, following acceptance of the Offer by you within 21 days of whichever is later of the date the Offer is validly accepted by you, or if the Offer is still conditional when you accept, within 21 days after the Offer or the contract resulting from your acceptance of the Offer becomes unconditional	
all at land supply ing the money of	Full details of when payment of the are set out in Section 9.7.	Offer Consideration will occur
Defeating Conditions of the	The Offer is subject to the Defeating Conditions as specified in Schedule 2. In summary these are:	
Offer	 minimum acceptance condition of 50.01%; 	
Personal for the same	 no material adverse of 	change in QMC;
men min	 no material acquisitio commitments being n 	
	 no Public Authority in affect the Offer; 	tervention which may adversely

no persons exercising rights under certain agreements or instruments: no Prescribed Occurrence or other specific event occurs in relation to QMC; no specified events occurring in the conduct of QMC's affairs. In accordance with the Bid Implementation Agreement, Moly must immediately declare the Offer free from the Defeating Conditions in certain circumstances. Please refer to Section 12.3 of the Bidder's Statement and the Bid Implementation Agreement for further information. How to accept the You may accept the Offer in respect of all of your holding of QMC Offer Shares. To accept the Offer: for CHESS Holdings of QMC Shares - if you are not a Participant: instruct your stockbroker or Controlling Participant to initiate acceptance of the Offer on your behalf, or complete, sign and return the enclosed Acceptance Form in accordance with the Instructions before the end of the Offer Period. for CHESS Holdings of QMC Shares - if you are a Participant: acceptance of this Offer must be initiated in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period. for Issuer Sponsored Holdings of QMC Shares: complete, sign and return the enclosed Acceptance Form in accordance with the Instructions before the end of the Offer Period. A reply paid envelope has been enclosed for shareholders with Australian addresses to return their completed Acceptance Form. Overseas shareholders should return their Acceptance Form by airmail. In addition, Moly has established an Acceptance Facility for Eligible Institutional Shareholders to facilitate Eligible Institutional Shareholders to indicate their intention to accept the Offer. If you wish to utilise the Acceptance Facility, please see Section 11 for further details. Offer Period closes The Offer is scheduled to close at 7.00pm (Sydney time) on 19 January 2018, unless extended or withdrawn in accordance with the Corporations Act. **Enquiries about the** If you have any questions about the Offer or how to accept the Offer Offer, please call the shareholder information line 1300 105 041 (within Australia) or +61 3 9415 4326 (outside Australia) on Monday to Friday between 8.30am and 5.00pm (Sydney time), or consult your legal or other financial or professional adviser. For questions regarding your holding of shares in QMC, please call QMC on +61(2) 9267 8932.

3. FREQUENTLY ASKED QUESTIONS

Question	Answer	Further Information
Who is making the Offer?	Moly Mines Limited (ACN 103 295 521).	Section 4
What is Moly's Offer?	Moly is offering A\$0.17 in cash for every 1 of your QMC Shares (Offer).	Section 9
Are there any Defeating Conditions to the Offer?	Yes, the Offer is subject to the Defeating Conditions specified in Schedule 2.	Section 9.3
	In summary these are:	
	 no material adverse change in QMC; 	
	no material acquisitions, disposals or new commitments being made by QMC;	
	no Public Authority intervention which may adversely affect the Offer;	
	no persons exercising rights under certain agreements or instruments;	
	no Prescribed Occurrence or other specific event occurs in relation to QMC; and	
	 no specified events occurring in the conduct of QMC's affairs. 	
What happens if the Defeating Conditions are not waived or satisfied?	If the Defeating Conditions are not waived or satisfied by the end of the Offer Period (as may be extended), the Offer will lapse and you will retain your QMC Shares.	Section 9.3(c) and 9.6(a)
What happens if I accept the Offer for my QMC Shares?	If you accept the Offer, and the Defeating Conditions are satisfied or waived, Moly will acquire all of your QMC Shares in return for the Offer Consideration.	Section 9.6 and 10
	There may also be tax implications for you as a result of you accepting the Offer. Refer to Section 10 for further information.	
When will I receive the Offer Consideration?	If you accept an Offer you will receive the relevant Offer Consideration within 21 days of whichever is later of the date the	Section 9.7(a)

Question	Answer	Further Information
	Offer is validly accepted by you, or if the Offer is still conditional when you accept, within 21 days after the Offer or the contract resulting from your acceptance of the Offer becomes unconditional.	
What happens if I accept the Offer and Moly then increases the Offer Consideration with respect to that accepted Offer?	You will receive the increased Offer Consideration even though you had already accepted the relevant Offer.	Section 9.1(f)
Are Foreign Shareholders entitled to accept the Offer?	Foreign Shareholders are entitled to accept the Offer.	Section 9.7(c)
When does the Offer close?	The Offer closes at 7.00pm (Sydney time) on 19 January 2018 unless extended in accordance with the Corporations Act. You will receive written notification of any extension.	Section 9.2
Can I accept an Offer in respect of part of my holding?	No, you may only accept an Offer in respect of all of the QMC Shares held by you.	Section 9.4(a)
As a QMC Shareholder, what choices do I have?	As a QMC Shareholder, you have the following choices in respect of your QMC Shares: (a) accept the Offer Consideration	
	for all of your QMC Shares; (b) sell some or all of your QMC Shares on the ASX (only if you have not already accepted the Offer); or	
	(c) do nothing.	
What are the tax implications if I accept an Offer?	Section 10 contains a general summary of the likely Australian tax consequences for certain QMC Shareholders who accept the Offer.	Section 10
	The Australian tax implications set out in Section 10 do not take into account the specific circumstances of each QMC Shareholder and is not intended to constitute formal, individual tax advice. QMC Shareholders should consult their own taxation adviser about the potential taxation implications for them if the Offer	

Question	Answer	Further Information
	is accepted.	
How do I accept an Offer?	To accept the Offer you should follow the instructions set out in Section 9.4.	Section 9.4
Once accepted, can I withdraw my acceptance?	No, under the terms of the Offer you cannot withdraw your acceptance unless a withdrawal right arises under the Corporations Act.	Section 9.6
What happens if I do not accept the Offer?	If you do not accept the Offer, you will remain a QMC Shareholder, subject to Moly being obliged to offer to buy-out holders of QMC Shares if, at the end of the Offer Period, Moly and its Associates have Relevant Interests in at least 90% of the QMC Shares.	Section 7.3
	If Moly acquires at least 90% of QMC Shares and the Defeating Conditions of the Offer are either satisfied or waived, Moly may (but is not obliged to) proceed to compulsorily acquire your QMC Shares in accordance with the Corporations Act.	
Where do I go for further information?	If you are in doubt as to how to deal with this document, you should consult your legal, financial or other professional adviser as soon as possible, or call the shareholder information line on 1300 105 041 (within Australia) or +61 3 9415 4326 (outside Australia) on Monday to Friday between 8.30am and 5.00pm (Sydney time).	

4. PROFILE OF MOLY AND THE MOLY GROUP

4.1 Overview of Moly

(a) History

Moly Mines Limited (ACN 103 295 521) (**Moly**) is a public unlisted company that was registered in Western Australia on 6 January 2003. Its registered office is Level 1, 80 Chandos Street, St Leonards, NSW 2065.

Moly has historically been involved in minerals exploration, mine development and operations, and more recently focussed on the identification and evaluation of near term mining opportunities.

Moly previously owned, developed and successfully operated the Spinifex Ridge Iron Ore Mine located in Western Australia.

In 2010, Moly Mines developed the Spinifex Ridge Iron Ore Mine which operated successfully until 2014, producing direct shipping ore exported through Port Hedland. In mid-2013, after operating the Spinifex Ridge Iron Ore Mine for approximately two and a half years, Moly completed a mine gate sale agreement for iron ore produced at Moly's Spinifex Ridge Iron Ore Mine, thus disposing of its main undertaking. The money generated from the mining operation and the mine gate sale has been preserved to invest in future mining opportunities.

(b) Principal activities

Moly currently only owns the Spinifex Ridge molybdenum-copper project located in the Pilbara region of Western Australia. The project was progressed to full permitting and definitive feasibility study in 2008. Subsequently, the development of the project was postponed as the project's economics did not support the funding for the development of the project and a final investment decision (**FID**). The project currently remains on care and maintenance.

As was extensively reported, Moly made significant progress toward an acquisition during 2016. Moly considered the proposed Gulf Alumina transaction to be an outstanding opportunity for all shareholders of the company to acquire a low-cost, high margin, near term production asset which would have provided a pathway for relisting on the ASX and generation of returns for shareholders. However, a competing buyer instead acquired Gulf Alumina.

Moly has since recommenced looking at other potential corporate and project opportunities, resulting in the potential opportunity of acquiring QMC.

(c) Major shareholders

Moly's share capital comprises 384,893,989 fully paid ordinary shares and its fully paid up share capital amounts to A\$364,479,589.92.

Moly has approximately 3,959 shareholders. The distribution of its shareholders is as follows.

Holding of ordinary shares	Number of shareholders
1 - 1,000	1,181
1,001 - 5,000	1,240
5,001 - 10,000	571
10,001 - 100,000	883
100,001 and over	84
Total	3,959

The shareholders of Moly with an interest of greater than 5% are as follows.

Shareholder	Holding of ordinary shares	Shareholding (%)
Hanlong Mining Investment Pty Limited (ACN 139 410 709)	207,135,646	53.82
Citicorp Nominees Pty Ltd (ACN 000 809 030)	45,405,394	11.80
J.P. Morgan Nominees Australia Limited (ACN 002 899 961)	40,579,817	10.54
HSBC Custody Nominees (Australia) Limited (ACN 003 094 568)	28,093,800	7.30

Hanlong was issued its shares on 23 April 2010 for a total subscription price of US\$200 million under a subscription agreement entered into on 19 October 2009. The subscription by Hanlong was approved by Moly shareholders on 16 December 2009 under section 611(7) of the Corporations Act. The subscription was funded by equity as to US\$140 million and by debt as to US\$60 million, the latter being through a loan agreement under which Hanlong agreed to loan up to US\$60 million to Moly. The current outstanding balance of this loan is approximately US\$10 million. In addition, QMC understands that China Export-Import Bank holds a share mortgage over Hanlong's shareholding in Moly.

4.2 Overview of assets owned by Moly

(a) Spinifex Ridge Iron Ore Mine

The Spinifex Ridge Iron Ore deposit originally contained a Mineral Resource of approximately 2.5Mt of direct shipping iron ore. Moly commenced mining this deposit in late 2010 after receiving all approvals and making a FID.

Approximately 2.5Mt of ore was mined and shipped by Moly up until mid-2013, when Moly signed a mine gate sale agreement whereby Mineral Resources Limited (MRL) paid Moly for the remaining ore and operated the mine for the remainder of the mine life.

From 2015, Moly was in dispute with MRL with respect to the quantification of the final payment which was due under the iron ore sale and purchase agreement by which MRL acquired the remaining available iron ore at the Spinifex Ridge Iron Ore Mine. In August 2017, a final award was determined in Moly's favour. As a result, an amount of A\$4.2 million held in a jointly controlled account with MRL has now been released back to Moly.

(b) Spinifex Ridge Molybdenum / Copper Project

The development of the Spinifex Ridge Molybdenum/Copper project has been postponed as the project's economics do not currently support the completion of funding for the development of the project and a FID. The project currently remains on care and maintenance. See section 4.1(b).

4.3 Directors of Moly

The current Directors of Moly are:

- Mr Nelson Chen:
- Mr Greg Jones
- Mr Lou Guo Qing; and
- Mr Ivo Polovineo.

The details of the Directors at the date of this Bidder's Statement are as follows:

Director	Qualifications, Experience and Other Directorships
Nelson Chen Non-Executive Chairman	Mr Chen is a Director of Hanlong (Australia) Resources Pty Ltd and a Chartered Accountant in Australia. He holds postgraduate degrees in finance and accounting. Prior to joining Hanlong, Mr Chen spent over 11 years with PricewaterhouseCoopers, Sydney office in their audit and M&A advisory practices. Mr Chen has served on the board of Australia China Business Council, NSW branch for over 7 years.
	Details of Mr Chen's other listed public company directorships over the past three years are:
	 Marenica Energy Limited, appointed 4 October 2011, continuing.
	 General Moly, Inc. (NYSE Amex and TSX) appointed 14 September 2011, resigned 28 June 2016.
Gregory Jones	Mr Jones is a geologist with 37 years' exploration and operational
Acting Managing Director	experience gained in a broad range of metalliferous commodities both within Australia and overseas. Mr Jones has held senior positions in a number of resource companies including Western Mining Corporation and Sino Gold Limited. His experience spans a wide spectrum of activities

from grass-roots exploration through to resource definition and new project generation, project assessment and acquisition, as well as mine geology, ore resource/reserve generation and new mine development. Mr Jones is currently Managing Director of Variscan Mines Limited.

Details of Mr Jones's other listed public company directorships over the past three years are:

- Variscan Mines Limited, appointed 20 April 2009, continuing.
- Eastern Iron Limited, appointed 24 April 2009, resigned 26 November 2017.
- Silver City Minerals Limited, appointed 30 April 2009, continuing.
- Thomson Resources Ltd, appointed 17 July 2009, continuing.

Gou Qing Lou

Non-Executive Director

Mr Lou is the Managing Director of Hanlong Group. He was formerly the president of China Construction Bank, Panzhihua Municipality branch in Sichaun province and has over 27 years of experience in credit management and financial investment. Mr Lou holds a Bachelor of Economics degree from Wuhan University and a Postgraduate Diploma in business administration from Sichuan University.

Mr Lou is a Board nominee and director of Hanlong.

Details of Mr Lou's other listed public company directorships over the past three years are:

 Marenica Energy Limited, appointed 3 November 2014, resigned 25 November 2017.

Ivo Polovineo

Non-Executive Director

Mr Polovineo has over 40 years' experience in corporate accounting, finance and company secretarial work for a diverse range of companies. He spent the past 30 years in senior management roles in the resources sector including seven years as Company Secretary (and five years as CFO) of Sino Gold Mining Limited (a former ASX 100 company) until December 2009 and played an instrumental role in that company's dual listing on the Hong Kong Stock Exchange in 2007. Mr Polovineo was with Sino Gold for 12 years forming part of the executive team that built the company from a market capitalisation of A\$100m in 2002 to its acquisition by Eldorado Gold Corporation in December 2009 for approximately \$2.4 billion.

Mr Polovineo is currently Company Secretary of Variscan Mines Limited, Lynas Corporation Ltd, Thomson Resources Ltd and Silver City Minerals Ltd.

Details of Mr Polovineo's other listed public company directorships over the past three years are:

 Eastern Iron Limited, appointed 5 April 2011, resigned 13 February 2015.

4.4 Publicly available information about Moly

Moly's annual report to shareholders for the year ended 31 December 2016 was lodged with ASIC on 20 March 2017 (**Annual Report**). The Annual Report includes the directors' report, remuneration report and auditor's independence declaration, statements of comprehensive income, financial position, changes in equity and cash flows, comprehensive notes to the financial statements and an independent auditor's report.

In addition, Moly is also required to lodge various documents with ASIC. Copies of documents lodged with ASIC by Moly may be obtained from, or inspected at, an ASIC office.

Additional amount of information about Moly is available in electronic form from www.molymines.com.

5. PROFILE OF QMC AND THE QMC GROUP

5.1 Disclaimer

The information in this Section 5 concerning QMC has been prepared solely based on a review of publicly available information provided by QMC unless otherwise stated (which has not been independently verified). The Bidder does not make any representation or warranty, express or implied, as to the accuracy or completeness or proper presentation of such information and has had no involvement with the preparation of such information.

The information on QMC in this Bidder's Statement should not be considered comprehensive.

5.2 Overview of QMC

QMC is an Australian public company listed on the Australian Securities Exchange (**ASX**). It was registered in New South Wales on 8 July 2004 and its registered office is Suite 2004, Level 20, 201 Elizabeth Street, Sydney, NSW 2000.

QMC is an emerging junior mineral resources company focused on developing gold and copper projects in the Cloncurry region of Queensland. Its basic strategy has been to identify and procure mining leases and have them assessed by management and leading industry engineers in order to ascertain their prospective value. QMC owns over one hundred mining and exploration tenements in the Cloncurry region.

5.3 Summary of QMC operations and projects

(a) White Range project

(i) Overview

QMC's 100% owned White Range project is centred approximately 40km south of Cloncurry in north west Queensland and contains a total JORC compliant resource of 29.3 Mt @ 0.82% Copper, 0.2g/t Gold and 0.03% Cobalt. The project consists of three main deposits at Greenmount, Kuridala and Young Australian plus several smaller deposits at Mt McCabe, Vulcan and Desolation along with numerous advanced exploration prospects. A pre-feasibility study conducted in 2005 indicated the project has an annual production of 15,000-20,000t of copper cathode for a mine life of more than 10 years. Recent drilling results obtained by QMC have significantly improved the economics of the project.

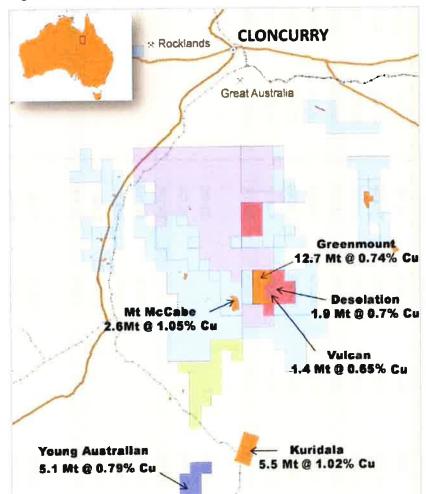


Figure 1: White Range project location

(ii) Mineral reserves and resources

In 2013, QMC announced a JORC 2004 compliant resource for the White Range deposits and has updated this in 2016 and 2017 to reflect compliance with the more recent JORC 2012 code. The details of White Range mineral reserves and resources are shown in the table below.

White Range Resources Statement

THE PARTIES								
		Mt	no %	g/t Au	% Co	ktCu	oz Au	ktCo
	Measured	1.2	1.26%	0.46	0.07%	15.120	19,471	0.840
Greenmount	Indicated	7.7	0.75%	0:30	0.06%	57.750	81,483	4.620
	Inferred	3.8	0.57%	0.20	0.04%	21.660	26,808	1.520
	Total	12.7	0.74%	0.29	0.05%	94.530	127,762	6.980
	Measured	1.9	1.08%	0.18	0.02%	20.844	12,254	0.405
Kuridala	Indicated	2.3	1.02%	0.27	0.03%	23.664	22,096	0.580
	Inferred	1.2	0.91%	0.24	0.03%	11.011	10,244	0.339
	Total	5.5	1.02%	0.23	0.02%	55.519	44,593	1.324
	Measured	g	4	1	:10	ŕ	ě	ķ
Young Australian	Indicated	2.2	0.93%	ť	į	20.460	í	X
	Inferred	2.9	0.68%	ŧ		19.720	i	7.8
	Total	5.1	0.79%	ŧ	ė	40.180	٠	ŀ
	Measured	1.0	1.21%	ij	0.04%	12.100	06	0.400
Mt McCabe	Indicated	9.0	1.10%	ì	0.03%	009.9	ř	0.180
	Inferred	1.0	%06.0	(0)	0.01%	9.000	ñ	0.100
	Total	2.6	1.07%		0.03%	27.700	ì	0.680
	Measured	ı:	ě	ř	×	3	à	9
Vulcan	Indicated	1.1	0.70%	ì	0.01%	7.700	136	0.110
	Inferred	0.4	%09:0	ï	0.03%	2.400	b	0.120
	Total	1.5	0.67%	•	0.02%	10.100		0.230
	Measured		į)	τ	ř	0.000		
Desolation*	Indicated	0.8	0.80%	0.30	%90.0	6.400	8,466	0.480
	Inferred	1.1	0.60%	0.20	0.04%	6.600	7,760	0.440
	Total	1.9	0.68%	0.24	0.05%	13.000	16,226	0.920
Total		29.3	0.82%	0.18	0.03%	241.029	188.582	10 134

(i) Option and Joint Venture Agreement with Teck Australia Pty Ltd

On 14 December 2016, QMC and its wholly owned subsidiaries entered into an Option and Joint Venture Agreement with Teck Australia Pty Ltd (**Teck**), on the White Range project.

Under the Option and Joint Venture Agreement, QMC and its subsidiaries granted Teck an option to earn a 70% interest in the following tenements:

- EPM14148 White Range #1;
- EPM15740 Kuridala South:
- EPM15897 White Range Consolidated; and
- EPM25849 Copper Canyon East

(together, the EPM15740 Sub-blocks).

The Option and Joint Venture Agreement does not include any mining leases which contain the existing JORC resources for the White Range project.

Upon certain conditions being satisfied on or before 31 March 2017, Teck may elect to exercise the option by incurring A\$500,000 in committed exploration expenditure on the above tenements within 18 months from the above date and an aggregate of A\$3,800,000 within 4 years from the above date.

If Teck exercises the option, Teck and QMC and its subsidiaries will participate in further exploration and development of the tenements under a contractual joint venture with terms set out in the agreement. QMC and its subsidiaries will have an initial 30% interest in the contractual joint venture and Teck will have a 70% interest. Each participant shall bear a share of the costs and liabilities incurred by the contractual joint venture which is proportionate to its interest. A 5% Net Profits Conversion royalty also applies should a party's interest fall below 10%.

(b) Gilded Rose project

(i) Overview

The Gilded Rose gold project covers 227km² of exploration tenements (including 6 mining leases for 187ha) within the Pumpkin Goldfield in Cloncurry with a total JORC resource of 108,400 oz Gold contained in two separate deposits located at Gilded Rose (15km southeast of Cloncurry) and Mt Freda (40km southeast of Cloncurry), respectively. In addition, there is a carbon in leach gold plant in Gilded Rose with an annual processing capacity of 60,000t of ore currently placed under care and maintenance.

The Gilded Rose gold deposit is contained within the Mt Norma Quartzite member of the Proterozoic Soldiers Cap Group, which

consists of quartzite, schist, phyllite and metamorphosed greywacke, amphibolite and metadolerite. This unit is overlain by the more mafic rocks of the Toole Creek Volcanics which hosts the Mt Freda gold deposit some 25km to the southeast. Gold mineralization at Gilded Rose occurs as sheeted quartz veins and reefs within an interbedded sequence of schist, phyllite and amphibolite rocks which can be traced over 1km along strike. In contrast, the gold mineralization in Mt Freda is present as pyritic/limonitic quartz and carbonate breccia and veins along a near E-W fault zone up to 400m long and 10m wide, steeply dipping south.

Recent drilling by QMC at Gilded Rose and Mt Freda has reported some very significant intersections, including:

- 19m @ 5.53g/t Gold from 52m in Hole GR10RC07, including 4m
 @ 20.68g/t Gold from 52m in Gilded Rose; and
- 16m @ 1.99g/t Gold from 151m in Hole MF10RC09, including 5m @ 4.47g/t Gold from 151m in Mt Freda.

Most mineralized zones remain open along strike and at depth and further drilling will have a great chance to increase the resources.

CLONCURRY

LOREENA

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WALLACE SOUTH

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Figure 2: Gilded Rose project location

(ii) Mineral reserves and resources

QMC had announced resources for the Gilded Rose and Mt Freda deposits in 2013, with a resource of 143kt @ 4.2 g/t Gold and 1,600kt @ 1.7 g/t Gold, respectively.

(iii) Joint Venture with AusMex Mining Group Limited

On 15 August 2016, AusMex Mining Group Limited (AusMex) entered into an agreement with QMC granting AusMex options to acquire interests in mineral tenements held by QMC in the Cloncurry region of Queensland (Cloncurry Option Agreement).

Key terms of the Cloncurry Option Agreement (as per AusMex ASX announcements) indicate that AusMex has been granted the rights to acquire:

- 60% (with the option to increase to up to 100% through payment of a further A\$2 million in two tranches of A\$1 million each)¹ of mainly production assets including the Gilded Rose and Mt Freda gold projects by way of a 60:40 incorporated joint venture with QMC (Cloncurry Option); and
- certain exploration projects held by QMC or its related bodies corporate including the Morris Creek, Flamingo and Jessievale projects (upon option exercise, to be 100% owned) (North Cloncurry Option).

A condition of the joint venture is that AusMex will fund 100% of the holding, development, production and exploration costs.

The original Exercise Price relating to these options were:

- 12,500,000 shares in AusMex (currently valued at A\$1.25 million at a share price of A\$0.10 at 9 November 2017) in relation to the Cloncurry Option; and
- A\$500,000 in relation to the North Cloncurry Option,

with an expiry date for both options of 15 May 2017.

On 9 May 2017, AusMex gave notice in relation to the First and Second sales, thereby acquiring a total of 80% of the joint venture with QMC for a total consideration of 12,500,000 shares in AusMex and A\$1 million cash. Moly understands that the AMG shares are currently held in escrow until June 2018.

The North Cloncurry option to acquire Morris Creek, Flamingo and Jessievale was not exercised (see AusMex 2017 Annual Report).

(c) Mt Norma project

The Mt Norma project consists of 9 exploration permits for any minerals other than coal (**EPMs**) and 11 mining leases, covering a total area of 144km² centred approximately 30km southeast of Cloncurry. In addition to the extensive land holding, QMC also owns a copper sulphate leaching plant with a designed capacity of 6 tonnes per day currently placed under care and maintenance in Mt Norma.

The project area overlies the eastern limb of the regional N-S trending Snake Creek anticline. The prominent Cloncurry fault is only a few kilometres to the west. The regional stratigraphy consists mainly of metasediments and metavolcanics of the Middle Proterozoic Soldiers Cap Group, in particular the Llewellyn Creek Formatlon overlain by Mount Norma Quartzite and Toole Creek Volcanics members. The area has seen intermittent small scale mining of oxide copper and gold resources, beginning in the late 1800s with abundant old workings and outcropped mineralization. The project is

¹ QMC's ASX announcement suggests the additional A\$1 million to be paid in two tranches will become effective on production of 1,000 and 5,000 ounces of gold, respectively. This is not mentioned in any of AusMex's ASX announcements which state a "First Sale" is completed by issuance of 12,500,000 shares to acquire a 60% with the "Second Sale" and "Third Sale" completed by paying A\$1 million for 20% in each case.

considered highly prospective for shear zone controlled copper-gold-silveruranium mineralization.

Recent exploration by QMC has returned encouraging results, including

- 18m @ 5.06% Copper and 32.9 g/t Silver from 76m in Hole MN_08_008RC, including 8m @ 9.10% Copper and 58.8g/t Silver from 84m in Mt Norma; and
- 20m @ 1.16% Copper and 0.29g/t Gold from 54m in Hole ES_08_024RC in Evening Star.

(d) Duck Creek project

The Duck Creek project consists of 6 EPMs and 20 mining leases (**ML**), covering a combined area of 278km² centred approximately 35km southwest of Cloncurry. The project area can be accessed from Cloncurry by sealed roads. The Townville-Mt Isa railway line runs through the project area in the east.

The regional structure is dominated by the Duck Creek anticline and related NW, NE and near E-W striking faults and shear zones. The local stratigraphy is characterized by the Early Proterzoic Argilla Formaiton quartzite and felsic volcanics, through Mid Proterzoic Marraba metabasalt and amphibolite to Mitakoodi quartzite of the Malbon Group. Of particular importance is the Marraba metabasalt and metadoloerite unit, which hosts most of the known copper-gold mineralization in the Duck Creek area.

The style of mineralisation in the Duck Creek area is characterized by cuperous sulphide quartz veins, breccia veins and disseminated alteration zones. The width of mineralisation and alteration zones is from a few metres to several tens of metres whilst the length is from a few hundreds of metres to more than 1 kilometre. The mineral assemblage is relatively simple and dominated by quartz, chlorite, pyrite, chalcopyrite, malachite, azurite and chalcocite etc. Wall rock alteration is mainly silicification, chloritisation and minor K-feldspar veining.

Preliminary exploration undertaken by QMC has indicated that the Duck Creek area has potential to host significant copper sulphide mineralization under the thin cover and/or at depth. Encouraging results include:

36m @ 2.66% Copper, 0.23g/t Gold and 238ppm Cobalt from 198m, including 8m @ 5.23% Copper, 0.38g/t Gold and 716ppm Cobalt in the Horseshoe prospect,

as well as several untested strong copper-gold geochemical anomalies.

(e) Flamingo project

The Flamingo copper project consists of 1 EPM, 1 Exploration Permit for Minerals Application, 2 MLs and 6 Mining Lease Applications covering an area of 30km² centered approximately 100km north-northwest of Cloncurry. The project is also situated 90km northwest of Xstrata's world class coppergold mine at Ernest Henry (167Mt @ 1.1% Copper and 0.54g/t Gold) and 40km north-northeast of Altona Mining's Roseby copper-gold project (128Mt @ 0.7% Copper and 0.04g/t Gold).

The regional structure includes the N-S trending Coolullah fault in the west and its NWW-SEE splays through the project area. The local stratigraphy is dominated by quartzite, calc-silicate, meta-sandstone and banded amphibolite of the middle Proterozoic Solders Cap Group. Much of the ground is covered with thin Cainozoic alluvium and fluvium, which to some degree conceals the potential ore deposits from being discovered by previous explorers.

QMC considers that the Flamingo tenements have potential to host iron oxide copper-gold deposits, a style of mineralization characterized by the giant Olympic Dam mine in South Australia and the Ernest Henry mine in Cloncurry. Elements interpreted as prospective for IOCG deposits include mafic and calc-silicate units of the Solders Cap Group, proximity to granitic intrusions and the development of brittle-ductile structural traps and jogs plus magnetic anomalism and elevated copper geochemistry in soils and stream sediments.

Historical exploration has reported some very encouraging results, including 36m@ 2.71% Copper and 0.4g/t Gold from one hole drilled into ML90103.

(f) Exploration prospects

In addition to the major projects at White Range, Gilded Rose, Mt Norma, Duck Creek and Flamingo, QMC also has numerous exploration prospects throughout its extensive land holding in the Cloncurry district. Further exploration on some of these advanced targets could lead to the definition of additional resources in the White Range area, which can potentially enhance the overall economics of the project.

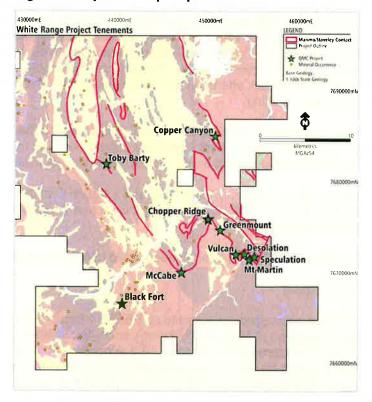


Figure 3: Exploration prospects location

Regional geology of the White Range Project and Marimo Basin showing the target horizons for copper and gold exploration:

- (i) Copper Canyon:
 - 8 Km north of Greenmount;
 - Historical drilling including 44m at 1.9% Copper and 0.9g/t Gold; and
 - 500+ metre long Copper geochemical anomaly.
- (ii) Chopper Ridge:
 - 2km NW of Greenmount;
 - Historical drilling up to 7m at 1.6g/t Gold; and
 - Anomalous Copper in soil over 3.5km long zone.
- (iii) Black Fort:
 - 12km SW of Greenmount;
 - Previous QMC drilling results up to 17m at 1.5% Copper; and
 - 1 km long structural zone with anomalous surface copper.
- (iv) Toby Barty:
 - 12 km NW of Greenmount;
 - Previous QMC drilling results up to 21m at 2.8% Copper; and
 - Strike potential yet to be tested.

5.4 Directors of QMC

The current Directors of QMC are:

- Dr Lakshman Jayaweera;
- Mr Jun Qiu;
- Mr Eddy Wu; and
- Mrs Joyce Wang.

The details of the Directors at the date of this Bidder's Statement are as follows:

Director	Qualifications, Experience and Other Directorships
Lakshman Jayaweera Non-Executive Chairman	 MSc, PhD (UNSW) Appointed chairman in July 2013. Board member since January 2013. 3,389,240 ordinary shares in QMC.
Jun Qiu Non-Executive	• EMBA

Director	Board Member since June 2013.	
	 70,067,200 ordinary shares in QMC. 	
Eddy Wu	BSc, Msc, MCom	
Chief Executive Officer	Director and Chief Executive Officer	
	 2,402,966 ordinary shares in QMC and options to acquire a further 1,000,000 ordinary shares 	
	 Other listed company directorships in past 3 years: Image Resources NL 	
Joyce Wang	Alternate director to Mr Qiu	
Non-Executive Director	CPA, MCom (USYD)	
	Board member since June 2013	
	 Options to acquire 400,000 ordinary shares in QMC 	

6. INFORMATION ON QMC'S SECURITIES

6.1 Substantial Shareholders

Based on publicly available information given to the ASX as at the date of this Bidder's Statement, QMC had 296,116,203 ordinary shares on issue and the substantial holders are:

Shareholder	Percentage interest
Perfect Nation Global Limited (PNG)	38.02%
Great Tang Brothers Resource Investment Pty Ltd (GTB)	23.66%
Bradley's Polaris Pty Ltd	10.87%

PNG and GTB are ultimately owned by privately-owned Chinese entities.

6.2 QMC's issued securities

According to documents provided by QMC to ASX, as at the date of this Bidder's Statement, QMC's issued securities consisted of:

- (a) 296,116,203 QMC Shares; and
- (b) 2,000,000 QMC Options, exercisable at A\$0.10 on or before 30 June 2018.

6.3 Securities to be issued under Consultancy Agreement

Under a consultancy agreement with Redrock Exploration Services Pty Ltd (Redrock) (Consultancy Agreement), QMC has agreed to issue 974,029 QMC Shares to Redrock on or before 10 January 2018.

6.4 QMC Options

(a) Details of QMC Options

According to documents provided by QMC to ASX, the QMC Options were issued as approved by shareholders at the AGM held on 17 November 2015.

(b) Treatment of QMC Options under the Offer

QMC Option holders may exercise their QMC Options and accept the Offer in respect of the QMC Shares issued during the Offer Period.

6.5 Moly's interests and dealings in QMC's securities

(a) Moly's interests in QMC Shares

As at the date of this Bidder's Statement and the date of the Offer:

- (i) Moly's voting power in QMC was 20.00%; and
- (ii) Moly had a Relevant Interest in 59,223,240 QMC Shares.

By Shareholder's Deeds of Undertaking both dated 15 December 2017, GTB and PNG have each separately undertaken to Moly to accept the Offer by 20 December 2017 in respect of 29,611,620 QMC Shares. These Shareholder's Deeds of Undertaking serve to vary the first Shareholder Deed of Undertaking which each of GTB and PNG gave to Moly on 13 October 2017.

Moly continues to have a Relevant Interest in these 59,223,240 QMC Shares. PNG and GTB remain the registered holders of these securities.

(b) Moly's dealings in QMC Shares

Neither Moly nor any Associate of Moly has provided, or agreed to provide, consideration for a QMC Share under any purchase or agreement during the 4 months before the date of this Bidder's Statement and the date of the Offer.

6.6 QMC Director's interests in QMC securities

So far as Moly is aware, based on publicly available information lodged on ASX, as at the date of this Bidder's Statement the QMC Directors have the following interests in QMC securities.

Director	Class of security interest	Number
Lakshman Jayaweera	Ordinary shares	3,389,240
Jun Qiu	Ordinary shares	70,067,200
Eddy Wu	Ordinary shares and options to acquire ordinary shares	2,402,966 ordinary shares1,000,000 options

Joyce Wang	Options to acquire ordinary shares	400,000

6.7 Recent share price performance of QMC

The latest recorded sale price of QMC Shares on ASX before the Announcement Date was A\$0.125 as at close of trading on ASX on 14 December 2017.

6.8 No pre-Offer benefits

Neither Moly, nor any of its Associates, in the four months before the date of this Bidder's Statement, or in the period between the date of this Bidder's Statement and the date of the Offer, has given, offered to give or agreed to give a benefit which is not offered to all QMC Shareholders under the Offer to another person which was likely to induce the other person (or an Associate) to accept the Offer or dispose of QMC Shares.

6.9 No escalation agreements

Neither Moly, nor any of its Associates, has entered into any escalation agreement that is prohibited by section 622 of the Corporations Act.

7. THE INTENTIONS OF MOLY IN RELATION TO QMC

7.1 Intentions on conclusion of the Offer

This Section 7 sets out the intentions of Moly in relation to the following:

- (a) the continuation of the business of QMC:
- (b) any major changes to the business of QMC and any redeployment of the fixed assets of QMC; and
- (c) the future employment of the present employees of QMC.

These intentions are based on information concerning QMC, its business and the general business environment, which is known to Moly at the time of the preparation of this Bidder's Statement.

Final decisions will only be reached by Moly in light of material information and circumstances at the relevant time. Accordingly, the statements set out in this Section 7 are statements of current intention only, which may change as new information becomes available or circumstances change.

7.2 Rationale for the Offer

The acquisition of QMC provides Moly with ownership of the White Range high-grade copper project, well located around existing copper operations and infrastructure, with strong near-term development potential. In addition, the White Range package of assets continue to show excellent exploration upside, as QMC demonstrated in its most recent announcement reporting assay results received from its recently completed RC drilling program in Young Australian (QMC ASX Announcement 3 October 2017, "Very Significant Drill Intercept of 60 metres @ 1.0% Copper Returned from a New Zone in Young Australian").

The Cloncurry region is well known to contain significant copper deposits with a number of existing mining operations, namely Glencore's Mt. Isa copper mine (one of the largest mining operations in Australia) and Ernest Henry copper mine, CuDeco's Rocklands copper mine and CopperChem's Great Australian copper mine.



Figure 4: Cloncurry region mining operations and infrastructure

Over the past few years, QMC has been focused on further exploration work resulting in a JORC Mineral Resource of 29.2Mt @ 0.82% Copper, 0.18 g/t Gold and 0.03% Cobalt for the White Range project. By way of comparison, Rocklands copper mine contains a Reserve of 28Mt @ 0.71% Copper, 0.14 g/t Gold and 0.04% Cobalt with an estimated mine life of over 10 years.

Moly considers that White Range has strong potential to be brought into production and intends to shortly commence work to bring the project to development.

Ongoing exploration work (e.g., current drilling at the Young Australian deposit) suggests the potential for a higher head grade and additional Resources from existing deposits. This exploration work highlights the substantial prospectivity and the potential value upside associated with the project assets, in addition to the stated JORC Mineral Resources.

The copper market has seen strong supply-demand fundamentals over the past 12 months, underpinned by expectations of strong demand from top consumer China. The metal, used in power and construction, has seen benchmark prices on the London Metal Exchange rise more than 20 per cent this year. Moreover, the consensus view among brokers is that tight supply in the global refined copper market would result in the base case for copper remaining solid, with few indications that demand will slow.

9,000 **BMI** Research Intesa Sanpaolo SpA VTB Capital PLC Market Risk Advisory Co Ltd = Societe Generale SA 8,500 RBC Capital Markets Deutsche Bank AG Oxford Economics Ltd 8,000 7,500 7,000 6,500 6,000 5,500 5,000 2020 2017 2018 2019 2021 Source: Bloomberg, Commodity Prices Forecasts, 2 November 2017

Figure 5: LME Copper Price – Broker Forecasts (US\$/t)

Moly believes that the White Range purchase will allow it to take advantage of this projected strong demand cycle and bring the project into operation during a period of forecast solid copper prices.

7.3 Intentions upon acquisition of 90% or more of QMC Shares

This Section 7.3 sets out the intentions of Moly if Moly acquires 90% or more of the QMC Shares and it is entitled (but not obliged) to proceed to compulsory acquisition of the outstanding QMC Shares in accordance with Part 6A.1 of the Corporations Act.

In that circumstance, the current intention of Moly would be as set out below.

(a) **Corporate Matters**

Moly intends to:

- (i) if, at the end of the Offer Period, Moly and its Associates have Relevant Interests in at least 90% of the QMC Shares, offer to buy-out holders of QMC Shares;
- arrange for QMC to be removed from the Official List of ASX; and (ii)
- (iii) replace the QMC Board with its own nominees, the majority of which it expects will be members of Moly's existing management team.

(b) Administrative functions

Moly intends to amalgamate the administrative functions of Moly and QMC, such as finance and accounting, company secretarial and risk management with a view to eliminating duplication of tasks.

In addition, Moly plans to close the QMC office in Sydney, transferring all management and support functions, data and information to Moly's office in St Leonards. Moly anticipates substantial efficiencies and cost savings will result.

(c) General operational review

Moly intends to conduct an immediate, broadly-based review of QMC's operating plans and strategy to fast track the White Range project towards production. Moly also intends to review QMC's other assets, including the tenements outside the White Range project with the view of relinquishing or selling non-core assets.

(d) Specific operational intentions

Moly intends to complete mine feasibility studies for the White Range project to determine the viability of developing the project into a mining operation. Moly plans to commence these studies, including infill drilling, metallurgical, mine optimisation, financial modelling, environmental and other work as soon as it has complied, assessed and prepared a gap analysis of historic work completed on the project to date. It hopes to initiate this mine feasibility work early in 2018.

Should the mine feasibility studies be successful, Moly intends to take the White Range project through design, engineering and construction, then to possible production in the shortest time.

(e) Divestment policy

Moly intends to dispose of any non-performing assets of QMC identified during the operational review.

7.4 Intentions if 50.01% but less than 90% ownership if assumed

This Section 7.4 describes Moly's intentions if Moly acquires 50.01% or more of QMC Shares but less than 90% of QMC Shares.

In that circumstance, the current intention of Moly would be as set out below.

(a) Corporate Matters

After the end of the Offer Period, Moly intends to:

- (i) seek to replace some members of the QMC Board with its own nominees, whom it expects will be members of Moly's management team. Moly would consider the recommendations in the ASX Corporate Governance Principles and Recommendations when determining the composition of the QMC Board;
- (ii) review QMC's listing and consider the removal of QMC from the Official List of ASX (in which case QMC Shareholders should be aware that the liquidity of QMC Shares may be materially adversely affected); and
- (iii) consider and investigate, subject to compliance in all respects with the Corporations Act, the acquisition, buy-out or cancellation of (or alternate arrangement in relation to) any other Marketable Securities in QMC to which Moly (or Its Associates) are not otherwise entitled to.

(b) General operational review

After the end of the Offer Period, Moly intends to propose that the QMC Board conduct an immediate, broadly-based review of QMC's administrative structure and the development plans for the White Range project, along similar lines to that described in Section 7.3(c). Moly intends, subject to the approval of the QMC Board, to participate in this review.

7.5 Limitations on intentions

Moly would only make a decision on the above matters following receipt of appropriate legal and financial advice. The intentions of Moly must be read as being subject to the legal obligations of the QMC Board, including any nominees of Moly, to have regard to the interests of QMC and all QMC Shareholders and would therefore be subject to its obligations to comply with the applicable provisions of the Corporations Act, Listing Rules (provided QMC remained listed) and the law generally.

7.6 Business, assets and employees

Other than as set out in this Section 7, it is the present intention of Moly:

- (a) to continue the business activities of QMC;
- (b) not to make any major changes to the business activities of QMC and not to redeploy any of the fixed assets of QMC; and
- (c) subject to the completion of its review referred to in Section 7.3(c) above, to maintain employment of QMC's existing employees.

8. SOURCES OF CONSIDERATION

8.1 Form of consideration

The consideration for the acquisition of the QMC Shares to which the Offer relates is to be satisfied wholly by payment in cash.

8.2 Maximum consideration payable

Based on the number of QMC Shares on issue as at the date of this Bidder's Statement, the maximum amount of cash that would be payable by Moly under the Offer if acceptances were received for all QMC Shares on issue (including any QMC Shares which may be issued during the Offer Period if all of the QMC Options are exercised and the QMC Shares which may be issued during the Offer Period to Redrock under the Consultancy Agreement) is approximately A\$50.8 million. Accordingly, the maximum cash amount which may be required to settle acceptances under the Offer is approximately A\$50.8 million (Offer Amount).

8.3 Source of funds

The A\$50.8 million cash consideration for the acquisition of QMC Shares will be sourced from Moly's existing cash reserves.

Moly has current cash holdings of approximately A\$57 million as reported on Moly's website in the announcement "Acquisition of White Range Copper Project" dated 13 October 2017.

On the basis of the arrangements described in this Section 8, Moly believes that it has reasonable grounds for holding the view, and holds the view, that Moly will be able to provide and pay the Offer Amount.

9. TERMS AND CONDITIONS OF THE OFFER

9.1 Terms of the Offer

(a) Offer

Bidder offers to acquire all of your QMC Shares for an Offer Consideration of A\$0.17 in cash for every 1 of your QMC Shares, on the terms and conditions set out in this Section 9.

(b) Offer Date

The Offer Date is 18 December 2017.

(c) Bid Class

The QMC securities forming the Bid Class securities for the purpose of this Offer are the QMC Shares on issue on the Register Date and QMC Shares which are issued during the period from the Register Date to the end of the Offer Period due to the conversion of or exercise of rights (whether or not attached to other securities) that exist or will exist at the Register Date.

(d) Persons to whom the Offer is made

The Offer is to all the holders of all of the Bid Class securities. In accordance with section 617(2) of the Corporations Act, the Offer also extends to holders of any other securities that come to be in the Bid Class during the Offer Period due to the conversion of or exercise of rights (whether or not attached to other securities) that exist or will exist at the Register Date that:

- (i) will convert, or may be converted, to securities in the Bid Class: or
- (ii) confer rights to be issued securities in the Bid Class.

The above includes, without limitation, QMC Shares that are issued upon vesting and exercise of any of the QMC Options and QMC Shares that are issued to Redrock under the Consultancy Agreement.

(e) Offers to all holders of QMC Shares

Offers on terms and conditions identical to those contained in this Offer have been dispatched or will be dispatched to all holders of QMC Shares, registered as such in the register of members of QMC at 7.00pm (Sydney time) on the Register Date.

(f) Improving the Offer Consideration

If Moly improves the Offer Consideration offered, the Corporations Act contains provisions to ensure that any QMC Shareholder who has already accepted the Offer receives the benefit of the improved Offer Consideration.

9.2 Offer period

- (a) Unless withdrawn or extended this Offer will remain open for acceptance during the period commencing on the Offer Date and ending at 7.00pm
 (Sydney time) on 19 January 2018 (Offer Period), or any date to which the Offer Period is extended in accordance with section 9.2(b) or section 9.2(c).
- (b) Moly may at any time, and from time to time, before the end of the Offer Period vary this Offer by extending the Offer Period, in accordance with section 650C of the Corporations Act.
- (c) If, within the last 7 days of the Offer Period, either of the following events occurs:
 - (i) the Offer is varied to improve the consideration offered; or
 - (ii) Moly's voting power in QMC increases to more than 50%,

then the Offer Period will be automatically extended so that it ends 14 days after the relevant event in accordance with section 624(2) of the Corporations Act.

9.3 Conditions of the Offer

(a) Offer subject to conditions

Subject to Section 9.3(e), any contract arising from acceptance of this Offer is subject to fulfilment of the Defeating Conditions specified in Schedule 2.

(b) Conditions are separate

Each of the Defeating Conditions is a distinct and separate condition, and shall not merge on completion of any contract arising from acceptance of this Offer.

(c) Effect of conditions

Each of the Defeating Conditions is a condition subsequent. The breach or non-fulfilment of any Defeating Condition shall not prevent a contract to purchase your QMC Shares arising from your acceptance of this Offer. However, if Moly has not:

- (i) declared all Offers to be free from the Defeating Conditions before the date applicable under section 650F(1) of the Corporations Act in accordance with Section 9.3(e); and
- (ii) the Defeating Conditions have not been fulfilled at the end of the Offer Period,

all contracts resulting from the acceptance of Offers and all acceptances that have not resulted in binding contracts are void. In such case, Moly will return the Acceptance Form (if any) together with all documents forwarded by you to you at the address provided by QMC in accordance with section 641(1) of the Corporations Act and notify ASX Settlement of the lapse of the Offer in accordance with Rule 14.19 of the ASX Settlement Operating Rules.

(d) Benefit of conditions

Subject to the provisions of the Corporations Act, Moly alone shall be entitled to the benefit of the Defeating Conditions and any breach or non-fulfilment of those Defeating Conditions may be relied upon only by Moly.

(e) Freeing Offer from conditions

Subject to section 650F of the Corporations Act, Moly may, at any time at its sole discretion, declare the Offer free from the Defeating Conditions by giving notice in writing to QMC and to ASX. The notice may be given:

- (i) in relation to the case of the Defeating Condition in section 6 of Schedule 2, not later than 3 Business Days after the end of the Offer Period; and
- (ii) in the case of all the other the Defeating Conditions, not later than seven (7) days before the end of the Offer Period.

(f) Status notice

The date for giving the notice required by section 630(3) of the Corporations Act on the status of the Defeating Conditions to the Offer is 10 January 2018, subject to variation in accordance with section 630(2) of the Corporations Act if the period during which the Offer remains open for acceptance is extended.

(g) Status and effect of the Defeating Conditions

As at the date of this Bidder's Statement, Moly is not aware of any events or circumstances which would result in the non-fulfilment of the Defeating Conditions.

9.4 How to accept this Offer

(a) Acceptance must be in respect of all QMC Shares

You may accept this Offer in respect of all (but not less than all) of your QMC Shares.

(b) Time for acceptance

You may accept this Offer at any time during the Offer Period.

(c) CHESS Holdings

If any of your QMC Shares are in a CHESS Holding, acceptance of this Offer in respect of those QMC Shares can only be made in accordance with the ASX Settlement Operating Rules.

To accept this Offer in respect of those QMC Shares you must:

- (i) if you are not a Participant:
 - (A) instruct your Controlling Participant (normally your stockbroker) to initiate acceptance of this Offer in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period; or

- (B) complete and sign the Acceptance Form in accordance with the instructions on it and return the Acceptance Form together with all other documents required by the Instructions to the address specified on the form. This will authorise and instruct your Controlling Participant to initiate acceptance of the Offer on your behalf. For the return of the Acceptance Form to be an effective acceptance of the Offer, you must ensure it is received in time to give instructions to your Controlling Participant and your Controlling Participant to carry out those instructions, before the end of the Offer Period;
- (ii) if you are a Participant:
 - (A) initiate acceptance of this Offer in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period.

(d) Issuer Sponsored Holdings

If any of your QMC Shares are in an Issuer Sponsored Holding, then to accept this Offer in respect of those QMC Shares you must:

- complete and sign the Acceptance Form attached to this Offer in accordance with the Instructions (which must be observed in accepting the Offer in respect of any QMC Shares held in an Issuer Sponsored Holding); and
- (ii) ensure that the Acceptance Form and any documents required by the terms of the Offer and the Instructions on the Acceptance Form are received not later than 7.00PM (Sydney time) on 19 January 2018, at the following address:

Postal Address

Computershare Investor Services Pty Limited GPO Box 52
Melbourne Victoria 3001
Australia

Acceptance of the Offer in respect of your QMC Shares which are in an Issuer Sponsored Holding shall not be complete until the properly completed Acceptance Form (including any documents required by the terms of the Offer and the Instructions on the Acceptance Form) has been received at the address specified above. Moly may, however, in its sole discretion waive at any time, prior to the end of the Offer Period, all or any of those requirements.

(e) Shares of which you are entitled to be registered as holder

To accept this Offer for QMC Shares which are not held in your name, but of which you are entitled to be registered as holder, you must:

- (i) complete and sign the Acceptance Form in accordance with the terms of this Offer and the instructions on the Acceptance Form; and
- (ii) ensure that the Acceptance Form (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is received before the end of the Offer Period, at one of the addresses shown on the Acceptance Form.

(f) Acceptance Form and other documents

The Acceptance Form forms part of the Offer.

A reply-paid envelope is enclosed for shareholders with Australian addresses to return their completed Acceptance Form. Overseas shareholders should return their Acceptance Form by airmail.

The postage and transmission of the Acceptance Form and other documents is at the risk of each accepting shareholder.

(g) Authority to accept Offer

When accepting this Offer, you should also ensure that if the accepting shareholder:

- is a corporation, the Acceptance Form is signed by two directors, a director and company secretary, or by the sole director in the case of an Australian company with a sole director who is also the sole company secretary;
- (ii) is deceased, the Acceptance Form is signed by the person or persons authorised to administer the estate of the deceased shareholder;
- (iii) is one or two or more joint holders, all such holders sign the Acceptance Form; or
- (iv) is accepting through an attorney under power:
 - (A) the power of attorney has not been revoked;
 - (B) the donor of the power of attorney has not died;
 - (C) the power of attorney has been validly executed;
 - (D) the power of attorney duly empowers the attorney to sign such a form; and
 - (E) the attorney duly signs the Acceptance Form.

9.5 Entitlement to Offer

(a) Offer made to holders of QMC Shares

This Offer is made to you as the holder of the QMC Shares which are registered in your name in the register of members of QMC at 7.00pm (Sydney time) on the Register Date. If at any time during the Offer Period another person is or is entitled to be registered as the holder of some or all of those QMC Shares, then in accordance with section 653B(1)(a) of the Corporations Act:

(i) an offer corresponding to this Offer shall be deemed to have been made to that person in respect of the QMC Shares of which that person is, or is entitled to be, so registered as holder; and

(ii) this Offer shall be deemed to have been made to you in respect of the remainder (if any) of the QMC Shares that were registered in your name at 7.00pm (Sydney time) on the Register Date.

The QMC Shares in respect of which this Offer is made or deemed to be made to you, in accordance with this paragraph, are referred to in this document as "your QMC Shares".

(b) Shares held in separate parcels

If at any time during the Offer Period and before you accept this Offer, your QMC Shares to which this Offer relates consist of two or more separate parcels for the purposes of section 653B of the Corporations Act, then in accordance with section 653B of the Corporations Act, this Offer shall be deemed at that time to consist of separate corresponding offers made to you in relation to the respective separate parcels of QMC Shares and an acceptance by you of any of those separate corresponding offers is ineffective unless you have given to Moly notice indicating that your QMC Shares consist of separate parcels and the acceptance indicates the number of QMC Shares in the separate parcels to which acceptance relates, provided that you may at the one time, accept two or more such separate corresponding Offers as if they were a single offer in relation to separate parcels of shares.

If this applies to you, please call 1300 105 041 (within Australia) or +61 3 9415 4326 (outside Australia) on Monday to Friday between 8.30am and 5.00pm (Sydney time) for such additional copies of this Bidder's Statement and Acceptance Form as are necessary.

(c) Shares registered to broker or other nominee

Beneficial owners whose QMC Shares are registered in the name of a broker, investment dealer, bank, trust company or other nominee should contact that nominee for assistance in accepting this Offer.

9.6 Effect of acceptance

- (a) By signing and returning an Acceptance Form in accordance with the procedures set forth in Section 9.4 and the Instructions on the Acceptance Form, you will be deemed to have:
 - (i) irrevocably accepted this Offer (and any variation of it) in accordance with its terms in respect of all of your QMC Shares, except as follows:
 - (A) if, by the relevant times specified in Sections 9.6(a)(i)(C) and 9.6(a)(i)(D), the Defeating Conditions have not all been fulfilled or freed, this Offer will automatically terminate and your QMC Shares will be returned to you; or
 - (B) if the Offer Period is extended for more than one month and the obligations of Moly to deliver the consideration are postponed for more than 1 month and, at the time, this Offer is subject to one or more of the Defeating Conditions, you may be able to withdraw your acceptance and your QMC Shares in accordance with section 650E of the Corporations Act. A notice will be sent to you at the time explaining your rights in this regard:

The relevant times specified for the purposes of Section 9.6(a)(i) are:

- (C) in relation to the Defeating Condition specified in item 6 of Schedule 2, the end of the third Business Day after the end of the Offer Period; and
- (D) in relation to all other Defeating Conditions, the end of the Offer Period:
- subject to this Offer being declared free of the Defeating Conditions or such Defeating Conditions being fulfilled or waived or freed, authorised the transfer of your QMC Shares to Moly for the Offer Consideration specified in this Offer;
- (iii) represented and warranted to Moly, as an essential condition of the contract resulting from your acceptance, that on the date of registration of the transfer of your QMC Shares to Moly, your QMC Shares shall be fully paid up and free from all mortgages, charges, liens and other encumbrances (whether legal or equitable) of any kind and that you have full power and authority to sell your QMC Shares to Moly;
- (iv) authorised Moly (by its directors, officers, servants or agents) to complete on the Acceptance Form correct details of your QMC Shares, fill in any blanks remaining on the Acceptance Form and rectify any error in or omission from the Acceptance Form as may be necessary to make the Acceptance Form an effective acceptance of this Offer and enable registration of the transfer of your QMC Shares to Moly;
- (v) authorised Moly (by its directors, officers, servants or agents) to alter the number of shares said to be held by you if it is otherwise than as set out in the enclosed Acceptance Form;
- (vi) represented and warranted to Moly, and agreed with Moly that your QMC Shares will be purchased by Moly with all Rights and that you will execute all such instruments as may be required for the purpose of vesting in Moly any such Rights;
- (vii) irrevocably authorised and directed QMC to pay to Moly or to account to Moly for all Rights, subject however to any such Rights received by Moly being accounted for by Moly to you in the event that this Offer is withdrawn or the contract resulting from your acceptance of this Offer is rendered void pursuant to Section 9.3(c);
- (viii) except where Rights have been paid or accounted for under paragraph 9.6(a)(vii), irrevocably appointed Moly and its directors from time to time jointly and severally as your attorney in your name and on your behalf, with effect from the Offer Date, or from the date of any contract resulting from your acceptance of this Offer becomes unconditional, to execute all such instruments as Moly may require for the purpose of vesting in it any such Rights;
- (ix) unless you have notified Moly in accordance with Section 9.5(b), represented and warranted to Moly that your QMC Shares do not consist of separate parcels of QMC Shares;

- (x) upon this Offer or any contract resulting from your acceptance of this Offer becoming unconditional, have irrevocably appointed Moly or each of the directors of Moly from time to time jointly and each of them severally as your attorney to:
 - (A) attend and vote (and otherwise participate) in respect of your QMC Shares at any and all general meetings of QMC, to receive notices of all such meetings and to requisition or join with other holders of QMC Shares in requisitioning or to convene or to join with other holders of QMC Shares in convening a general meeting or general meetings of QMC;
 - (B) demand a poll for any vote to be taken at any meeting of QMC shareholders;
 - (C) propose or second any resolutions to be considered at any and all meetings of QMC Shareholders;
 - (D) complete and execute all forms, notices, instruments (including instruments appointing Moly or a director of Moly as a proxy or representative in respect of any of those QMC Shares), transfers (including further transfers of any of those QMC Shares to any person) and resolutions relating to those QMC Shares and generally to exercise all powers and rights which you may have as the registered holder or beneficial owner thereof;
 - (E) to request QMC to register the name of Moly or its nominee on any of your QMC Shares which you hold on any register of QMC;
- (xi) generally to exercise all your powers and rights in relation to your QMC Shares; and
- (xii) have agreed that in exercising the powers conferred by that power of attorney, Moly and any such director, shall be entitled to act in the interests of Moly as the beneficial owner and intended registered holder of your QMC Shares.

(b) Effect if Rights not received by Bidder

If, for any reason, Moly does not receive any Rights referred to in paragraph 9.6(a)(vi), Moly will be entitled to reduce the amount of consideration payable in accordance with this Offer by the amount of value (as reasonably assessed by Moly) of such Rights.

(c) **Invalid acceptance**

If you comply with some but not all, of the requirements for acceptance, Moly may in its absolute discretion, either:

- (i) treat the Acceptance Form as valid notwithstanding your failure to comply with all requirements; or
- (ii) reject the Acceptance Form as invalid.

(d) Partially valid acceptance

Where the requirements for acceptance have been complied with in respect of some but not all of the QMC Shares, Moly may in its sole discretion deem your acceptance of this Offer complete in respect of those QMC Shares for which the requirements have been complied with (in this subclause referred to as "Relevant Shares") but not in respect of the remainder, notwithstanding any other terms of this Offer. In that event, Moly must provide the consideration in respect of the Relevant Shares but not any of the other QMC Shares you may hold, notwithstanding any other terms of this Offer.

(e) Indemnity, undertakings and authorisations

Moly will indemnify you and keep you indemnified in respect of all costs, expenses and obligations which might otherwise be incurred or undertaken as a result of the exercise by an attorney of any powers under this Section 9.6(e). This appointment, being given for valuable consideration to secure the interest acquired in your QMC Shares, is irrevocable and terminates upon registration of a transfer to Moly or its nominee of your QMC Shares and you will be deemed to have:

- (i) authorised Moly to notify QMC on your behalf that your place of address for the purpose of serving notices upon you in respect of your QMC Shares in respect of which you have accepted this Offer is at the address of Moly as specified by Moly in the notification, and that all such notices are to be marked care of Moly and to have directed QMC to serve all correspondence, payments or notifications in respect of any Rights and other communications and documents whatsoever in respect of those QMC Shares to Moly at that address;
- (ii) if at the time of acceptance of this Offer your QMC Shares are in a CHESS Holding, with effect from the date that this Offer or any contract resulting from acceptance of this Offer is declared free of its Defeating Conditions, or those conditions are satisfied or waived, authorised Moly to cause a message to be transmitted to ASX Settlement in accordance with Rule 14.17.1 of the ASX Settlement and Operating Rules so as to transfer your QMC Shares to Moly's Takeover Transferee Holding. Moly shall be so authorised even though at the time of such a transfer it has not paid the consideration due to you under this Offer.

(f) Duration of authorisations and undertakings

The undertakings and authorities referred to in this Section 9.6 will (unless otherwise stated herein) remain in force after you receive the consideration for your QMC Shares acquired by Moly and after Moly becomes registered holder of them.

9.7 Payment of consideration

(a) Timing of payment

Subject to Sections 9.6(c) and 9.6(d), Moly will provide the consideration due to you for your QMC Shares within 21 days of whichever is later of:

(i) the date the Offer is validly accepted by you, or;

(ii) if this Offer is subject to a Defeating Condition when you accept, within 21 days after the Offer or the contract resulting from your acceptance of the Offer becomes unconditional.

(b) Method of payment

All cash payments to which you are entitled under the Offer will be made by cheque drawn in your favour in Australian currency (or by such other means agreed with you). Cheques will be posted to you by prepaid ordinary mail addressed to you at your address shown in the Acceptance Form, or such other address as you may notify in writing to Moly.

(c) Acceptance by Foreign Shareholders

- (i) If you are a non-resident of Australia, acceptance by you will not create or transfer to you any right (actual or contingent) to receive cash payments pursuant to Section 9.1(a) until all requisite authorities have been obtained from:
 - (A) the Reserve Bank of Australia (whether under the *Banking* (Foreign Exchange) Regulations 1959 (Cth) or otherwise);
 - (B) the Minister for Foreign Affairs (whether under the Charter of the United Nations Act 1945 (Cth), the Charter of the United Nations (Dealing with Assets) Regulations 2008 (Cth) or any other regulations made thereunder, or otherwise);
 - (C) the ATO; or
 - (D) any other person as required by any other law of Australia that would make it unlawful for Moly to provide any consideration for your QMC Shares.
- (ii) If any amount (Withholding Amount) is determined by Moly as being required under any law to be:
 - (A) withheld from any consideration otherwise payable to you under this Offer and paid to a public authority;
 - (B) retained by Moly out of any consideration otherwise payable to you under this Offer; or
 - (C) paid by Moly to the Commissioner in accordance with Subdivision 14-D of Schedule 1 of the *Taxation Administration Act 1953* (Cth),

Moly may withhold or retain the Withholding Amount and the withholding, retention or payment by Moly of the Withholding Amount (as applicable) will constitute full discharge of Moly's obligation to pay the consideration to you to the extent of the Withholding Amount. A general description of Australian tax consequences for non-resident QMC Shareholders is provided in Section 10.3 below. Such shareholders should seek independent taxation advice as to tax consequences of acceptance of the offer.

9.8 Withdrawal

(a) Power to withdraw

Subject to compliance with section 652B of the Corporations Act, Moly may only withdraw this Offer with the written consent of ASIC which consent may be given subject to such conditions (if any) as are specified in the consent of ASIC. If this happens, Moly will comply with any conditions imposed by ASIC and send a notice of withdrawal to the ASX and QMC and to each person to whom the Offer has been made at their address as set out in the register of members of QMC.

(b) Effect of withdrawal

If this Offer is withdrawn, all contracts arising from its acceptance become

9.9 Variation

Moly reserves the right to vary this Offer in accordance with the provisions of section 650D of the Corporations Act.

9.10 No stamp duty

Although, under current applicable stamp duty legislation, you should not be liable for stamp duty in respect of the transfer of QMC Shares to Moly under the Offer, should there be a liability for stamp duty in respect of such transfer, Moly will pay any stamp duty on the transfer of QMC Shares to it.

9.11 Costs and expenses

All costs and expenses of the preparation and circulation of this Bidder's Statement and the Offer, and all transfer duty or brokerage charges payable on transfer of your QMC Shares will be paid by Moly.

9.12 Governing law

This Offer and any contract that results from your acceptance of this Offer are governed by the laws in force in New South Wales, Australia.

10. TAX CONSIDERATIONS

10.1 Introduction

The following comments provide a general summary of the Australian tax consequences of the acceptance of the Offer for QMC Shareholders.

The categories of QMC Shareholders considered in this summary are limited to individuals, certain companies, trusts, partnerships and complying superannuation funds, each of whom hold their shares on capital account.

QMC Shareholders who are tax residents of a country other than Australia (whether or not they are also residents, or are temporary residents, of Australia for tax purposes) should take into account the tax consequences under the laws of their country of residence, as well as under Australian law, of acceptance of the Offer.

This summary does not consider the consequences for QMC Shareholders who are temporary residents for income tax purposes, non-residents for Australian tax purposes that carry on business through an Australian permanent establishment, Australian residents that carry on business outside Australia through a foreign permanent establishment, or QMC Shareholders who are insurance companies or banks, or QMC Shareholders that hold their shares on revenue account or carry on a business of trading in shares, or QMC Shareholders who are exempt from Australian tax. This summary also does not cover the consequences for Australian tax resident QMC Shareholders who are subject to Division 230 of the *Income Tax Assessment Act 1997 (ITAA1997)* (the Taxation of Financial Arrangements or "TOFA" regime). Furthermore, this summary is not intended for QMC Shareholders who acquired their QMC Shares in respect of their (or an Associate's) employment at QMC (or an associated company).

This summary is based on the law in Australia in force at the time of issue of this Bidder's Statement. This summary does not take into account the tax law of countries other than Australia. This summary is general in nature and is not intended to be an authoritative or complete statement of the applicable law. The taxation laws of Australia or their interpretation may change. The precise implications of ownership or disposal of the QMC Shares will depend upon each QMC Shareholder's specific circumstances.

QMC Shareholders should seek independent professional advice in relation to their own particular circumstances.

10.2 Australian resident QMC Shareholders

(a) Disposal of QMC Shares

Acceptance of the Offer will involve the disposal by QMC Shareholders of their QMC Shares by way of transfer to Moly. This change in the ownership of QMC Shares will be a capital gains tax (**CGT**) event. The date of disposal for CGT purposes will be the date that you accept the Offer.

If a QMC Shareholder does not transfer their QMC Shares under the Offer and their QMC Shares are compulsorily acquired in accordance with Part 6A.1 of the Corporations Act, those QMC Shareholders will also be treated as having disposed of their QMC Shares for CGT purposes. The date of disposal for CGT purposes will be the date when Moly becomes the owner of the QMC Shares compulsorily acquired.

(b) Calculation of capital gain or capital loss

Capital gain

A capital gain will arise where the capital proceeds on disposal exceed the cost base of the QMC Shares (broadly, the amount paid to acquire the QMC Shares plus any non-deductible transaction costs such as brokerage).

A CGT discount may be applied against the net capital gain where the QMC Shareholder is an individual, complying superannuation entity or trust, the QMC Shares have been held for more than 12 months and certain other requirements have been met. Where the CGT discount applies, any net capital gain arising to individuals and trusts (other than a trust that is a complying superannuation entity) may be reduced by one half after offsetting current year or prior year capital losses. For a complying superannuation

entity, any net capital gain may be reduced by one third, after offsetting current year or prior year capital losses.

Where the QMC Shareholder is a trust that has held the QMC Shares for more than 12 months before disposal, the CGT discount may flow through to the beneficiaries of the trust if those beneficiaries are not companies. QMC Shareholders that are trusts should seek specific advice regarding the tax consequences of distributions to beneficiaries who may qualify for discounted capital gains.

Capital loss

A capital loss will be realised where the reduced cost base of the QMC Shares exceeds the capital proceeds from disposal. Capital losses may only be offset against capital gains realised by the QMC Shareholder in the same income year or future income years, subject to certain loss recoupment tests being satisfied. Capital losses cannot be offset against other assessable income.

10.3 Non-resident QMC Shareholders

For a QMC Shareholder who:

- is not a resident of Australia for Australian tax purposes; and
- does not hold their QMC Shares in carrying on a business through a permanent establishment in Australia,

the disposal of QMC Shares will generally only result in Australian CGT implications if the QMC Shares are 'indirect Australian real property interests' as that term is defined under the *Income Tax Assessment Act 1997* (Cth). QMC Shares of a QMC Shareholder will qualify as 'indirect Australian real property interests' for these purposes if:

- the QMC Shareholder, together with its associates, holds, or has held, 10% or more of the QMC Shares at the time of disposal or for any continuous 12 month period within 24 months preceding this disposal; and
- more than 50% of QMC's value is due to direct or indirect interests in
 Australian real property, which is defined to comprise real property situated in
 Australia as well as mining, quarrying or prospecting rights in Australia and
 which will include mining and exploration leases and licences.

A QMC Shareholder whose QMC Shares qualify as indirect Australian real property interests should obtain independent advice as to the tax implications of sale.

10.4 Foreign resident CGT withholding

This section describes the potential operation of the foreign resident CGT withholding tax which may apply in respect of QMC Shares sold pursuant to the Offer.

(a) Overview of rules

The *Taxation Administration Act 1953* (Cth) imposes the foreign resident CGT withholding tax which applies from 1 July 2016 to any transaction involving the acquisition from a 'relevant foreign resident' of:

- (i) an 'indirect Australian real property interest'; or
- (ii) an option or right to acquire such property or such an interest.

If you are a relevant foreign resident, these rules may require Moly to withhold and remit to the ATO 12.5% of the consideration otherwise payable to you under the Offer. As explained in paragraphs 10.4(b) and (c) and clause 9.7(c) the amount required to satisfy the payment obligation would be withheld from the consideration otherwise payable to each relevant foreign resident under the Offer. The withheld amount is called a CGT Withholding Amount.

If foreign resident CGT withholding tax applies to a foreign resident QMC Shareholder, that shareholder will be required to file an Australian tax return who will receive a credit for the amount withheld against that shareholder's Australian CGT liability. A refund may be available if the amount withheld exceeds the QMC Shareholder's Australian CGT liability in respect of the disposal of QMC Shares.

(b) "Relevant foreign resident"

For the purposes of the foreign resident CGT withholding rules, and in the context of Moly's Offer, a relevant foreign resident is any entity that, at the time the transaction is entered into:

- (i) is known by Moly to be a foreign resident;
- (ii) is reasonably believed by Moly to be a foreign resident;
- (iii) is not reasonably believed by Moly to be a resident of Australia for Australian tax purposes, and either has an address outside of Australia or Moly is authorised to provide a financial benefit relating to the Offer to a place outside Australia; or
- (iv) has a connection outside of Australia or a kind specified in the regulations.

(c) Declaration Form and Withholding payment

The foreign resident CGT withholding rules provide a vendor shareholder who may be affected by the rules, to make a declaration in Relevant Foreign Resident Declaration Form, as described below. The making of such declaration will prevent the need for Moly to withhold the CGT Withholding Amount from the consideration payable under the Offer.

In the Relevant Foreign Resident Declaration Form, the relevant holder of your QMC Shares may provide Moly with a declaration that:

- (i) the registered holder of your QMC Shares is a resident of Australia for Australian tax purposes (**Residency Declaration**); or
- (ii) the QMC Shares held by the registered holder are not indirect Australian real property interests (Interest Declaration).

If Moly, reasonably believes, based on the factors indicated in clause 10.4(b), that a liability to foreign resident CGT withholding tax will arise in respect of the disposal of QMC Shares by a QMC Shareholder and a Residency Declaration or an Interest Declaration has not been received by Moly from

that shareholder, it will withhold an amount, on account of and to satisfy this liability, from the payment of that particular QMC Shareholder's Offer Consideration. The QMC Shareholder will only receive the Offer Consideration after deduction of this amount, which will be paid by Moly to the Australian tax authorities.

If Moly considers it is likely that withholding will be required, Moly will notify the relevant QMC Shareholder at their registered address and may require such shareholder to provide Moly with a Relevant Foreign Resident Declaration Form.

If you think that you are a relevant foreign resident but have not been notified by Moly, you should contact the shareholder information line on 1300 105 041 (within Australia) or +61 3 9415 4326 (outside Australia) on Monday to Friday between 8. 30am and 5.00pm (Sydney time) and request a Relevant Foreign Resident Declaration Form. A QMC Shareholder who believes the disposal of their QMC Shares may trigger a foreign resident CGT withholding tax liability should obtain independent taxation advice.

10.5 Stamp duty and Goods and Services Tax (GST)

No Australian stamp duty or GST will be payable by a QMC Shareholder on the disposal of their QMC Shares in accordance with this Offer. Any applicable stamp duty on the acquisition of QMC Shares duty will be paid by Moly. Any applicable stamp duty on the acquisition of QMC Shares duty will be paid by Moly.

11. INSTITUTIONAL ACCEPTANCE FACILITY

11.1 Institutional Acceptance Facility

Moly has established an institutional acceptance facility open to Eligible Institutional Shareholders (**Acceptance Facility**). The Acceptance Facility has been established because some institutional investors may be unable to accept the Offer (for example, by reason of their investment mandates) until the Offer becomes or is declared unconditional.

Acceptance Instructions will only be released and processed if acceptance instructions which in aggregate (together with any QMC Shares in which Moly has a Relevant Interest) represent at least 50.01% of the issued QMC Shares.

QMC shareholders who are not Eligible Institutional Shareholders will not be able to participate in the Acceptance Facility.

11,2 Acceptance Facility Operator

Moly has arranged for Computershare Clearing Pty Ltd (ACN 063 826 228) to act as acceptance facility agent and operator in relation to the Acceptance Facility (**Facility Operator**).

11.3 Key features

The full Terms of Appointment of the Facility Operator are as set out in Annexure A.

The key features of the Acceptance Facility are as follows:

(a) Eligible Institutional Shareholders may lodge acceptance instructions with the Facility Operator in the form of Acceptance Forms or directions to their

custodians (Custodian Direction), to accept the Offer (Acceptance Instructions) in respect of their QMC Shares;

- (i) the Facility Operator will hold Acceptance Instructions as lodgement agent only and the Facility Operator will not acquire a Relevant Interest in any of the QMC Shares the subject of the Acceptance Instructions. Acceptance Instructions lodged with the Facility Operator will demonstrate the intention of the relevant Eligible Institutional Shareholders to accept the Offer. However, they will not constitute acceptances of the Offer while they are held by the Facility Operator;
- (ii) Eligible Institutional Shareholders who lodge Acceptance Instructions with the Facility Operator will have directed the Facility Operator to deliver the Acceptance Instructions (either to Computershare Investor Services Pty Ltd in its capacity as registry of the Bidder, or the Custodian Direction to the relevant custodian, as applicable) as formal acceptances of the Offer once Moly provides written confirmation (Confirmation Letter) to the Facility Operator stating that either:
 - (A) Moly has declared the Offer free from all Defeating Conditions;
 - (B) Moly will declare the Offer free from all Defeating Conditions as soon as practicable after all Acceptance Instructions are validly processed or implemented; or
 - (C) the QMC Shares in which Moly and its Associates have a Relevant Interest together with the QMC Shares that are the subject of the Facility are equal to or exceed 50.01% of the QMC Shares in the Bid Class:
- (iii) Moly will not acquire a Relevant Interest in any of the QMC Shares that are subject to Acceptance Instructions until after Moly delivers a Confirmation Letter and all Acceptance Instructions are validly processed or implemented;
- (iv) until the Facility Operator receives the Confirmation Letter from Moly, Eligible Institutional Shareholders will retain all rights in relation to their QMC Shares and can withdraw their Acceptance Instructions by notice in writing to the Facility Operator at any time prior to receipt of the Confirmation Letter by the Facility Operator; and
- (v) before 8.30am (Sydney time) on each Business Day (or at any time upon request from Moly), the Facility Operator will notify Moly of the number of QMC Shares in respect of which Acceptance Instructions have been received as at 7.00pm (Sydney time) the previous Business Day. Following receipt of this information for every movement of at least 1% in the aggregate of:
 - (A) Moly's voting power in QMC; and
 - (B) the QMC Shares subject to the Acceptance Instructions.

Moly will give to ASX by 9.30am (Sydney time) on the following Business Day, a notice setting out:

(C) the aggregate number and percentage of QMC Shares:

- (1) in which Moly has a Relevant Interest; and
- (2) which are the subject of Acceptance Instructions; and
- (D) a breakdown between the two categories (C)(1) and C(2).

12. ADDITIONAL INFORMATION

12.1 Date for determining holders of QMC Shares

For the purposes of section 633 of the Corporations Act, the date for determining the people to whom information is to be sent under items 6 and 12 of section 633(1) is the Register Date.

12.2 FIRB Approval

Moly has obtained a statement from FIRB on 12 December 2017 that it has no objections to Moly acquiring QMC Shares under the Offer.

12.3 Bid Implementation Agreement

Under the Bid Implementation Agreement, Moly and QMC have agreed exclusivity arrangements in relation to the Offer, under which the parties have agreed that unless the Offer is terminated, QMC will not solicit any competing proposal or participate in any discussions or negotiations or provide access to due diligence materials in relation to any competing proposal (unless failure to do so would involve a breach of fiduciary duties of the QMC Directors).

The Bid Implementation Agreement also confers a matching right to Moly, such that QMC must provide immediate notification of a competing proposal to Moly, and allow Moly to counter-offer. A break fee of A\$560,000 (exclusive of GST) may also be payable by QMC to Moly in certain circumstances.

In accordance with the Bid Implementation Agreement, Moly must also immediately declare the Offer free from the Defeating Conditions in certain circumstances.

See Moly's announcement to the ASX dated 15 December 2017 enclosing a copy of the Bid Implementation Agreement for further details.

12.4 Consents

Lander & Rogers Lawyers

Lander & Rogers Lawyers has given, and has not withdrawn before the date of this Bidder's Statement (being the date this Bidder's Statement is lodged with ASIC), its written consent to be named as the legal adviser of Moly in the form and context in which it is named and for its logo to be included in this Bidder's Statement. To the maximum extent permitted by law, Lander & Rogers expressly disclaims and takes no responsibility for any part of this Bidder's Statement, other than a reference to its name and logo.

BurnVoir

BurnVoir Corporate Finance Limited (**BurnVoir**) has given, and has not withdrawn before the date of this Bidder's Statement (being the date this Bidder's Statement is lodged with ASIC), its written consent to be named as the financial adviser for Moly in the form and context in which it is named and for its logo to be included in this

Bidder's Statement. To the maximum extent permitted by law, BurnVoir expressly disclaims and takes no responsibility for any part of this Bidder's Statement, other than a reference to its name and logo.

Computershare Investor Services Pty Limited

Computershare Investor Services Pty Limited (Computershare Investor Services) has given, and has not as at the date of this Bidder's Statement withdrawn, its written consent to being named in this Bidder's Statement as the share registrar for the Offer. To the maximum extent permitted by law, Computershare Investor Services expressly disclaims and takes no responsibility for any part of this Bidder's Statement, other than a reference to its name.

Computershare Clearing Pty Limited

Computershare Clearing Pty Limited (**Computershare Clearing**) has given, and has not as at the date of this Bidder's Statement withdrawn, its written consent to being named in this Bidder's Statement as the Facility Operator for the Acceptance Facility. To the maximum extent permitted by law, Computershare Clearing expressly disclaims and takes no responsibility for any part of this Bidder's Statement, other than a reference to its name.

ASIC Class Orders

This Bidder's Statement includes or is accompanied by statements that are made in, or based on, statements made in documents lodged with ASIC or the ASX. Under the terms of ASIC Class Order 13/521, the parties making those statements are not required to consent to, and have not consented to, the inclusion of those statements in this Bidder's Statement. A list of all such documents is set out below:

QMC's announcements lodged with the ASX:

Date lodged	Announcement			
3 October 2017	Very Significant Drill Intercept at Young Australian			
27 September 2017	Annual Report to Shareholders			
19 September 2017	Appendix 3B			
31 August 2017	Kuridala Mineral Resource Restatement			
28 August 2017	Vulcan Resource Mineral Restatement JORC 2012			
28 August 2017	Drilling commenced at Young Australian Project in Cloncurry			
28 August 2017	Vulcan Resource Mineral Restatement JORC 2012			

22 August 2017	Mt McCabe Mineral Resource Restatement			
22 August 2017	Mt McCabe Resource Mineral Restatement JORC 2012			
16 August 2017	Option Agreement to Spin Off QMC's Gold Assets – amended			
25 July 2017	Resources Statement Clarification			
6 June 2017	QMN: Completion of Cloncurry Option Agreement & SA Tenement			
23 December 2016	Clarification on the White Range Option and JV Agreement			
20 December 2016	White Range Project Option and JV Agreement Signed			
20 December 2016	White Range Project Option and JV			
	Agreement			
5 September 2016	Presentation to Institutional Investors			

12.5 Social security and superannuation implications of Offer

Acceptance of the Offer may have implications under your superannuation arrangements or on your social security entitlements. If in any doubt, you should seek specialist advice.

12.6 Other material information

Except as disclosed in this Bidder's Statement, there is no other material information known to Moly which is material to the making of the decision by a QMC Shareholder as to whether to accept the Offer.

The Corporations Act only requires that Moly disclose information which is as up to date as is reasonable in the circumstances. Further, Moly is not required to disclose information in this Bidder's Statement if it would be unreasonable to require Moly to do so because the information had previously been disclosed to holders of QMC Shares.

13. APPROVAL OF BIDDER'S STATEMENT

This Bidder's Statement has been approved by a resolution passed by the directors of Moly Mines Limited (ACN 103 295 521).

SIGNED for and on behalf of MOLY MINES LIMITED (ACN 103 295 521):

Greg Jones

Director Moly Mines Limited

SCHEDULE 1

Definitions and Interpretation

1. Defined Terms

In this Offer, the following words have these meanings unless the contrary intention or the context otherwise requires:

Acceptance Facility has the meaning set out in Section 11;

Acceptance Form means the form of acceptance and transfer enclosed with this Bidder's Statement and forms part of the Offer (the Instructions on which are for quidance only and do not form part of this Offer);

Announcement Date means the date of the announcement of the Offer by Moly on its website, being 15 December 2017;

ASIC means the Australian Securities and Investments Commission;

Associate has the meaning given to that term in the Corporations Act;

ASX means ASX Limited;

ASX Settlement means ASX Settlement Pty Limited (ACN 008 504 532);

ASX Settlement Operating Rules means the operating rules of the settlement facility provided by ASX;

Bid Class has the meaning given to that term in the Corporations Act;

Bid Implementation Agreement means the bid implementation agreement between Moly and QMC dated 15 December 2017, the terms of which are attached to Moly's announcement on its website dated 15 December 2017;

Bidder or Moly means Moly Mines Limited ACN 103 295 521;

Bidder's Statement or **Statement** means this document, being the statement of Bidder under Part 6.5 Division 2 of the Corporations Act relating to the Offer;

Board of Moly or Moly Board means the board of directors of Moly;

Board of QMC or QMC Board means the board of directors of QMC;

Business Day means a day on which banks are open for business in Sydney, New South Wales, excluding a Saturday, Sunday or public holiday in Sydney, New South Wales;

CGT Withholding Amount means the amount (if any) that Moly is liable to pay to the Commissioner under section 14-200 of Schedule 1 to the *Taxation Administration Act 1953* (Cth). A Variation Notice provided to Moly at the time of acceptance of the Offer will be taken into account in determining that liability and amount;

CHESS means Clearing House Electronic Subregister System, which provides for the electronic transfer of securities in Australia;

CHESS Holding has the meaning set out in the ASX Settlement Operating Rules;

Commissioner means the Commissioner of Taxation;

Controlling Participant has the meaning set out in the ASX Settlement Operating Rules;

Corporations Act means the Corporations Act 2001 (Cth):

Defeating Conditions means the conditions described in Section 9.3(a) and Schedule 2:

Eligible Institutional Shareholders means QMC Shareholders, and other persons who beneficially own QMC Shares, who hold or own (as the case may be) not less than A\$500,000 worth of QMC Shares (2,941,177 QMC Shares, based on the Offer Price of A\$0.17 per QMC Share under the Offer);

Encumbrance means an interest or power:

- (a) reserved in or over any interest in any asset including any retention of title; or
- (b) created or otherwise arising in or over any interest in any asset under a bill of sale, mortgage, charge, lien, pledge, trust or power,

by way of security for the payment of debt or any other monetary obligation or the performance of any other obligation and includes any agreement to grant or create any of the above;

FIRB means the Foreign Investment Review Board;

Foreign Shareholder means any QMC Shareholder that is a resident of a jurisdiction other than Australia and its external territories and the address of whom shown in the QMC register of members is a place outside Australia and its external territories or a person who is acting on behalf of such a person;

Hanlong means Hanlong Mining Investment Pty Limited (ACN 139 410 709);

Holder Identification Number means the number used to identify a QMC Shareholder on the CHESS Subregister of QMC;

Instructions means those instructions on how to accept the Offer set out more particularly on the Acceptance Form;

Issuer Sponsored Holding means a holding of QMC Shares on QMC's Issuer Sponsored sub-register;

Moly Group means Moly and each of its 'related bodies corporate' (as defined in the Corporations Act);

Offer means Moly's offer to acquire QMC Shares as set out in Section 9;

Offer Amount has the meaning set out in Section 8.1:

Offer Consideration means the consideration offered by Moly of A\$0.17 in cash for each QMC Share:

Offer Date has the meaning set out in Section 9.1(b);

Offer Period means the period during which the Offer will remain open for acceptance in accordance with Section 9.2;

Participant has the meaning set out in the ASX Settlement Operating Rules;

Public Authority means any federal, provincial, state or other government, governmental or public department, court, tribunal, administrative, statutory or judicial entity, arbitral body, securities commission or stock exchange (such as ASX);

QMC means Queensland Mining Corporation Limited (ACN 109 962 469);

QMC Group means QMC and each of its 'related bodies corporate' (as defined in the Corporations Act);

QMC Options means the options which QMC has issued entitling the holders of the options to be issued QMC Shares upon the exercise and payment of applicable cash consideration;

QMC Shares means the issued ordinary shares in the capital of QMC and includes all Rights attaching to them and the term **QMC Share** shall have a corresponding meaning;

QMC Shareholder means a holder of QMC Shares;

Register Date means 7.00pm (Sydney time) on 15 December 2017, being the time and date set by Moly under Section 633(2) of the Corporations Act;

Relevant Foreign Resident Declaration Form means the form to be sent with this Bidder's Statement to each QMC Shareholder which Moly has determined is a 'relevant foreign resident' for the purposes of Division 14-D of Schedule 1 of the Taxation Administration Act 1953 (Cth);

Relevant Interest has the meaning given in sections 608 and 609 of the Corporations Act, and as modified by any ASIC Class Orders;

Rights means all accretions, rights or benefits of whatever kind attaching to or arising from QMC Shares directly or indirectly after the date of this Bidder's Statement, including, without limitation, all dividends or other distributions and all rights to receive any dividends or other distributions, or to receive or subscribe for shares, stock units, notes, bonds, options or other securities, declared or paid by QMC or any of its subsidiaries;

Subsidiary or Subsidiaries has the meaning given to it in the Corporations Act;

Superior Proposal has the meaning given to it in the Bid Implementation Agreement;

Takeover Transferee Holding has the meaning given in the ASX Settlement Operating Rules, being the CHESS Holding to which QMC Shares are to be transferred pursuant to acceptances of the Offer;

Target's Statement has the meaning given to it in the Corporations Act; and refers to the Target's Statement to be issued by QMC in response to this Bidder's Statement as required under the Corporations Act;

Terms of Appointment of the Facility Operator means the document as set out in Annexure A; and

Variation Notice means a notice issued by the Commissioner under section 14-235 of Schedule 1 to the *Taxation Administration Act 1953* (Cth).

2. Interpretation

- (a) In this Offer:
 - (i) headings are for convenience of reference only and do not affect the meaning of the sections they introduce;

and unless the context otherwise requires:

- (ii) the singular includes the plural and vice versa;
- (iii) words importing any gender include all other genders;
- (iv) references to persons include corporations;
- (v) appendices and annexures to this Offer form part of this Offer;
- (vi) references to paragraphs are to paragraphs in this Offer; and
- (vii) references to "dollar", "A\$" or "\$" are references to Australian currency.

SCHEDULE 2

Defeating Conditions

The Offer and any contract resulting from acceptance of the Offer is subject to fulfilment (or waiver by the Bidder in its discretion, which in relation to each condition may be in whole or in part) of the following Defeating Conditions:

1. Minimum acceptance

During, or at the end of, the Offer Period, the number of QMC Shares in which the Bidder and its Associates together have relevant interests in at least 50.01% (by number) of all QMC Shares on issue.

2. No material adverse change

Between the Announcement Date and the end of the Offer Period (each inclusive), no event, change or condition occurs, is announced by QMC or becomes known to the Bidder where that event, change or condition has or has resulted in, or could reasonably be expected to have or result in:

- (a) without limiting the generality of sub-paragraph (b) below, liabilities, or an adverse effect on the financial or trading position of the QMC Group, taken as a whole, of an amount which (when aggregated with any other event, change or condition) would or could reasonably be expected to result in a diminution of the QMC Group's net assets by more than A\$500,000;
- (b) a material adverse effect on:
 - (i) the prospects of the QMC Group, taken as a whole; or
 - the status or terms of any material approvals, licences, tenements or permits issued by any Public Authority to any entity within the QMC Group,

other than changes, events or conditions:

- (iii) fully and fairly disclosed by QMC in an ASX announcement or otherwise to the Bidder in writing; or
- (iv) which do not relate specifically to the QMC Group and which are beyond the control of QMC and which arise from:
 - (A) changes in copper or other commodity prices, exchange rates or interest rates; or
 - (B) general economic or business conditions.

3. No material acquisitions, disposals or new commitments

Between the Announcement Date and the end of the Offer Period (each inclusive), neither QMC nor any Subsidiary of QMC, other than with the prior written consent of the Bidder:

(a) acquires, offers to acquire or agrees to acquire one or more entities, businesses or assets (or any interest in one or more entities, businesses or

assets) for an amount in aggregate greater than A\$500,000 (**Specified Amount**);

- (b) disposes of, offers to dispose of or agrees to dispose of one or more entities, businesses or assets (or any interest in one or more entities, businesses or assets) for an amount, or in respect of which the book value is, in aggregate, greater than the Specified Amount;
- (c) enters into, agrees to enter into or announces any agreement to enter into any contract, commitment or arrangement, joint venture or partnership that:
 - (i) requires payments, expenditure or the foregoing of revenue by the Target and/or any of its Subsidiaries of an aggregate amount greater than the Specified Amount; or
 - (ii) is material in the context of the QMC Group and is not in the ordinary course of business.
- (d) enters into or agrees to enter into, terminates or agrees to terminate a contract, commitment or arrangement for the provision of services or a licence to a third party that results in QMC and/or any of its Subsidiaries incurring costs, in aggregate, greater than the Specified Amount for the entire term of such contract, commitment or arrangement;
- (e) provides or agrees to provide financial accommodation or a guarantee, other than to entities within the QMC Group for any amount, or receives financial accommodation other than from entities within the QMC Group for any amount;
- (f) incurs, agrees to incur or bring forward the time for incurring, or granting to a third party a right the exercise of which would involve QMC or a Subsidiary of QMC incurring or agreeing to incur an amount of capital expenditure in excess of the Specified Amount, other than capital expenditure that has been announced by QMC to ASX prior to the Announcement Date;
- incurs or otherwise becomes exposed to any liability or contingent liability for one or more related items greater than the Specified Amount;
- enters into, amends, or agrees to enter into or amend any material contract, commitment or other arrangement with a related party (as defined in Section 228 of the Corporations Act) of QMC;
- (i) gives or agrees to give any Encumbrance over any of its assets (or an interest in any of its assets), other than:
 - (i) liens in the ordinary and usual course of business;
 - (ii) retentions of title in the ordinary and usual course of business;
 - (iii) Encumbrances which are security interests pursuant to the Personal Property Securities Act 2009 (Cth) by virtue only of the operation of section 12(3) of that Act;
- (j) in respect of any mineral tenement:
 - (i) enters into, agrees to enter into or announces any agreement to enter into any contract, commitment or arrangement (including without

limitation any ore sale, ore processing, joint venture, partnership, farmin, royalty, marketing, or off- take agreement) in relation to any of the mining tenements;

- (ii) relinquishes, sells or disposes of any interest or creates any Encumbrance over any of the mining tenements;
- (iii) takes any action or omits to take any action that results in or may reasonably be expected to result in a disposal of, or a breach of the terms any of the mineral tenements or any environmental authority relating to any of the mineral tenements; or
- (iv) takes any action or omits to take any action that results in or may reasonably be expected to result in the surrender of any of the mining tenements or any environmental authority relating to any of the mining tenements; or
- (k) without limiting sub-paragraphs (a) to (j) above:
 - (i) enters into, offers to enter into, agrees to enter into or announces any agreement for any transaction; or
 - (ii) is otherwise affected by any transaction or proposal,

under which any third party would acquire any legal or economic interest in, or there would be any material diminution in, the rights granted under any mineral tenement held by any entity within the QMC Group;

(I) announces an intention to do any of the matters referred to in sub-paragraphs (a) to (k) above.

4. No Public Authority intervention

Between the Announcement Date and the end of the Offer Period (each inclusive):

- (a) there is not in effect any preliminary or final decision, order or decree issued by a Public Authority; and
- (b) no application is made to any Public Authority (other than by any member of the Moly Group); and
- no action or investigation is instituted or threatened by any Public Authority with respect to the QMC Group,

in consequence of or in connection with the Offer (other than an application to, or a decision or order of, ASIC or the Takeovers Panel under, or relating to a breach of Chapter 6A, 68 or 6C of the Corporations Act or relating to unacceptable circumstances within the meaning of section 657A of the Corporations Act in consequence of, or in connection with, the Offer), which:

(d) restrains or prohibits (or, if granted, could restrain or prohibit), or otherwise materially adversely affect the making of the Offer or the completion of any transaction contemplated by the Offer (whether subject to conditions or not) or the rights of the Bidder in respect of QMC and the QMC Shares to be acquired under the Offer; or

(e) requires the divestiture by any member of the Moly Group of any QMC Shares, or the divestiture of any material assets of QMC Group or any member of the QMC Group.

5. No persons exercising rights under certain agreements or instruments

Between the Announcement Date and the end of the Offer Period (each inclusive), no person exercises or announces its intention to exercise any rights under any provision of any agreement or other instrument to which a member of QMC Group is a party, or by or to which a member of QMC Group or any of its assets may be bound or be subject (which, if exercised, will have or is reasonably likely to have a material adverse effect on QMC Group taken as a whole), to:

- require monies borrowed by, or other financial accommodation provided to, a member of QMC Group to be paid or repaid immediately or earlier than the repayment or maturity date stated in such agreement or other instrument;
- terminate or modify any such agreement or instrument or require that any action be taken under such agreement or instrument (including the acceleration of the performance of any obligation under such agreement or instrument);
- (c) terminate or modify the interest of a member of QMC Group in any farm-in, farm-out, partnership, joint venture, trust, corporation or other entity (or any arrangements relating to such interest); or
- (d) require that any assets, shares or business of a member of QMC Group be sold, transferred or offered for sale or transfer, including under any preemptive rights or similar provisions,

as a result of the acquisition of QMC Shares by the Bidder.

6. Prescribed occurrences

Between the Announcement Date and the end of the Offer Period (inclusive), none of the following events happen:

- (a) QMC converts all or any of its shares into a larger or smaller number of shares:
- (b) a member of QMC Group resolves to reduce its share capital in any way;
- (c) a member of QMC Group:
 - (i) enters into a buy-back agreement; or
 - (ii) resolves to approve the terms of a buy-back agreement under section 257C(1) or section 257D(1) of the Corporations Act;
- (d) a member of QMC Group issues QMC Shares (other than shares issued as a result of the exercise of the QMC Options on issue as at the Announcement Date or shares to Redrock under the Consultancy Agreement) or other securities, or grants an option over its QMC Shares or securities, or agrees to make such an issue or grant such an option;
- (e) a member of QMC Group issues, or agrees to issue, convertible notes;

- (f) a member of QMC Group disposes, or agrees to dispose, of the whole, or a substantial part, of QMC Group's business or property;
- (g) a member of QMC Group resolves to be wound up;
- (h) a liquidator or provisional liquidator of a member of QMC Group is appointed;
- (i) a court makes an order for the winding up of a member of QMC Group;
- (j) an administrator of a member of QMC Group is appointed under sections 436A, 436B or 436C of the Corporations Act;
- (k) a member of QMC Group executes a deed of company arrangement;
- (I) a receiver or a receiver and manager is appointed in relation to the whole; or a substantial part, of the property of a member of QMC Group; or
- (m) a member of QMC Group grants or agrees to grant an Encumbrance in or over the whole, or a substantial part, of QMC Group's business or property.

7. Conduct of Target's affairs

Between the Announcement Date and the end of the Offer Period no member of QMC Group without the prior written consent of the Bidder:

- (a) borrows or agrees to borrow any money (except for temporary borrowings from its bankers in the ordinary course of its business);
- (b) changes its constitution or passes any special resolution;
- (c) enters into any guarantee, indemnity or guarantee and indemnity on behalf of any member of QMC Group in relation to an amount in excess of A\$500,000;
- (d) enters into or agrees to enter into any contract of service or varies or agrees to vary any existing contract of service with any director or manager, or pays or agrees to pay any retirement benefit or allowance to any director, manager or other employee (except as required by law);
- (e) without prejudice to conditions 2 and 5 above and paragraphs (a) to (d) above enters into or agrees to enter into any agreement or commitment with a third party that would require expenditure, the foregoing of revenue or the incurring of a liability by one or more members of QMC Group in excess of A\$500,000;
- (f) releases, discharges or modifies any substantial obligation owed to it or agrees to do so; or
- (g) terminates, varies or enters into any material agreement or agrees to do so.

ANNEXURE A

Terms of Appointment of the Facility Operator

Terms of Appointment

- These Terms of Appointment (**Terms**) relate to the institutional acceptance facility (**Facility**) that has been arranged by Moly Mines Limited (ACN 103 295 521) (**Bidder** or **Moly Mines**) in respect of the takeover offer (**Offer**) to acquire all the ordinary shares in Queensland Mining Corporation Limited (ACN 109 962 469) (**QMC**). Unless otherwise defined in these Terms, capitalised expressions used in these Terms which are defined in the Bidder's Statement dated 15 December 2017 (**Bidder's Statement**) have the same meaning in these Terms.
- 2. The Participant directs the Facility Operator to deliver:
 - (a) the Acceptance and Transfer Form to Computershare Investor Services Pty Limited in its capacity as registry of the Bidder; or
 - (b) the Custodian Direction to the Custodian (as the case may be),

immediately after the Facility Operator receives written confirmation from Bidder, in the form of a notice from Bidder (**Confirmation Notice**) stating that:

- (c) Bidder declares the Offer free from all the Defeating Conditions set out in the Bidder's Statement that have not been fulfilled or waived; or
- (d) Bidder will declare the Offer free from all Defeating Conditions set out in the Bidder's Statement that have not been fulfilled or waived, no later than the time that all Acceptance Instructions lodged with the Facility Operator are processed; or
- (e) the QMC Shares in which Bidder and its Associates have a Relevant Interest together with the QMC Shares that are the subject of the Facility equal to or exceed 50.01% of the QMC Shares in the Bid Class.

In these Terms, "**Acceptance Instructions**" refers to the Acceptance and Transfer Form or Custodian Direction, as applicable.

- The Participant acknowledges that Bidder reserves the right to declare the Offer free from all Defeating Conditions and deliver the Confirmation Notice to the Facility Operator at any time before the end of the Offer Period (subject to the Corporations Act 2001 (Cth) (Corporations Act)) irrespective of the number of QMC Shares in which Bidder has a Relevant Interest or the number of QMC Shares that are the subject of Acceptance Instructions lodged with the Facility Operator at the time.
- 4. Bidder reserves the right to issue a Confirmation Notice before the processing or implementation of the Acceptance Instructions is complete. Bidder and the Facility Operator will use their reasonable endeavours to ensure that the Acceptance Instructions are processed or implemented as soon as reasonably practicable following the issue of the Confirmation Notice.
- 5. Before 8.30am (Sydney time) each Business Day (or at any time upon request from Bidder) the Facility Operator will inform Bidder of the number of QMC Shares the subject of Acceptance Instructions held in the Facility as at 7.00pm (Sydney time) on the previous Business Day. In addition, the Facility Operator will inform Bidder of any withdrawals of Acceptance Instructions under clause 7 below on the Business Day on which those withdrawals are received (or received on any preceding non-Business Day).
- 6. No Acceptance Forms and/or Custodian Directions delivered by holders of QMC Shares to the Facility Operator will constitute acceptance of the Offer while they are held by the Facility Operator (in that capacity) unless and until the Facility Operator receives from Bidder a Confirmation Notice.
- 7. The Facility Operator must return the Acceptance Instructions lodged by the Participant to the Participant promptly upon receipt of written notification from:
 - (a) the Participant at any time prior to the Facility Operator receiving the Confirmation Notice; or
 - (b) Bidder terminating its arrangements with the Facility Operator in respect of the Facility.
- 8. The Participant warrants (both as at the date of the Participant delivers its Acceptance Instructions to the Facility Operator and at the time when the Facility Operator delivers those Acceptance Instructions in accordance with paragraph 2 above) and agrees that:
 - (a) it is the absolute legal and beneficial owner of the QMC Shares to which the Acceptance Instructions relate or, where the Custodian is the legal owner of the QMC Shares, that the Participant is the beneficial owner of the QMC Shares or the Participant controls the exercise of the power to dispose of QMC Shares;

- (b) it holds or owns at least 2,941,177 QMC Shares;
- (c) the QMC Shares to which the Acceptance Instructions relate are free of all security interests;
- it has authority to enter into the arrangements and provide the warranties the subject of these Terms;
- it has not accepted the Offer or given other Acceptance Instructions (other than Acceptance Instructions that have been returned under paragraph 7 above) in respect of the QMC Shares to which the Acceptance Instructions relate;
- (f) in respect of the Acceptance and Transfer Form (if applicable), the Acceptance and Transfer Form has been duly completed and executed and, in the case of CHESS Holdings, when it is delivered to Bidder's share registry, the Participant will take all necessary action in order to ensure the relevant Controlling Participant as defined in the ASX Settlement Operating Rules immediately initiates acceptance of the Offer;
- (g) in respect of the Custodian Direction (if applicable), the Custodian Direction has been duly completed and executed and when delivered to the Custodian, it will compel the Custodian to immediately accept, and the Custodian will accept, the Offer for the QMC Shares to which the Custodian Direction relate subject to its compliance procedures (in respect of which the Participant will take all necessary action in order to ensure the Custodian immediately accepts the Offer);
- (h) if it purchases a legal and beneficial interest or beneficial interest in additional QMC Shares for which it wishes to lodge instructions, it will notify the Facility Operator of the additional number of QMC Shares acquired and how those QMC Shares are registered in writing within 24 hours and acknowledges that the Acceptance Instructions extend to such additional QMC Shares;
- (i) it will give the Facility Operator written notice in accordance with paragraph 7 above revoking the Acceptance Instructions before the Participant intends to dispose of, create a security interest in respect of any of the QMC Shares or, where the QMC Shares are held by the Custodian, the Custodian is changed or the Participant becomes registered as the holder of the QMC Shares; and
- (j) in accordance with the terms of the Offer, subject to the Corporations Act, acceptance of the Offer will relate to all the QMC Shares held by the Participant as at the date the Participant's acceptance directions are processed by the Facility Operator under clause 2.
- 9. Until the Facility Operator receives the Confirmation Notice from Bidder, the Participant will retain all rights in relation to, and full control over, its QMC Shares and can withdraw its Acceptance Instructions by notice in writing to the Facility Operator in accordance with clause 7 at any time prior to receipt of the Confirmation Notice by the Facility Operator.
- 10. The Participant acknowledges, and by returning the Acceptance and Transfer Form or Custodian Direction, the Facility Operator agrees, that the Facility Operator does not have any duties, obligations, rights or powers in relation to the QMC Shares or the arrangements referred to in these Terms other than as expressly set out in these Terms and that nothing in the arrangement described in these Terms creates in the Facility Operator a relevant interest (as defined in the Corporations Act), or legal or equitable interest (including any proprietary interest), or association between the Facility Operator and the Participant in, or in relation to, any of the QMC Shares which are the subject of the Acceptance and Transfer Form or Custodian Direction held by the Facility Operator.
- 11. The Facility Operator does not accept and the Participant releases the Facility Operator from any responsibility (other than in respect of the negligence, fraud or wilful misconduct of the Facility Operator or its employees) in relation to its appointment as Facility Operator including for ensuring that the Confirmation Notice from Bidder is delivered, or that it is delivered in time to effect acceptance of the Offer in respect of QMC Shares.
- 12. The Facility Operator:
 - (a) does not accept and the Participant releases the Facility Operator from any responsibility if there is any defect in the completion, execution or implementation of the Acceptance and Transfer Form or Custodian Direction by the Participant or by the Custodian, which would render the Acceptance and Transfer Form or Custodian Direction (or any acceptance form provided by the Custodian in relation to QMC Shares) ineligible for acceptance; and
 - (b) is not responsible for any stamp duty or other duties payable in respect of these Terms or the Participant's instructions as contemplated by these Terms and any such duties will be payable by the Participant.

- 13. By signing and returning, faxing or emailing the Appointment of Facility Operator Form for the appointment of Facility Operator, or otherwise appointing the Facility Operator under these Terms, Participants will be deemed to have (subject to withdrawal under clause 7) irrevocably authorised Bidder to alter the forms or the Acceptance Instructions on your behalf by inserting
- 14. correct details of your QMC Shares, filling in any blanks remaining on the Acceptance Form and rectifying any errors in, or omissions from the form of the Acceptance Instructions, as may be necessary to make the form a valid appointment of the Facility Operator and to enable acceptance of the Offer in respect of all of your QMC Shares.
- 15. The terms of this Facility may be amended by the Facility Operator (with the consent of Bidder) by notice provided to ASX, provided that no amendment will be prejudicial to the interests of the Participant or confer on Bidder or the Facility Operator any control or discretion over the voting or disposal of the OMC Shares to which Acceptance Instructions relate.
- 16. Bidder may at any time by notice to ASX, remove Computershare Clearing Pty Limited as the Facility Operator under this Facility and appoint another entity on substantially similar terms or on terms which are no less favourable to the QMC Shareholders than these terms, and the QMC Shareholder will continue to be bound by the Terms as if it had provided its Acceptance Instructions to the new Facility Operator and the new terms had applied at that time.
- 17. These Terms and the Facility are governed by the laws in force in New South Wales.

Facility Operator Tasks and Obligations

Computershare Clearing Pty Limited's role as Facility Operator in relation to the Acceptance Facility includes the following primary tasks and obligations:

- receiving "Appointments of Facility Operator" (by way of Acceptance and Transfer Form) and associated documents from QMC Shareholders;
- b) validation of Acceptance Facility acceptances against the copy of the QMC register maintained by Computershare Investor Services Pty Limited as share registry for Moly Mines, and verify custodian directions are suitable and acceptable with the respective custodians;
- c) reporting [in the form agreed between the Facility Operator and Moly Mine's advisers prior to the execution of this agreement] the level of acceptances made under the Acceptance Facility and received by Facility Operator as at 7.00pm (Sydney time) on the day those acceptances are received (including acceptances received on any preceding non-Business Day) by 8.30am (Sydney time) on each Business Day (or at another time upon reasonable request from Moly Mines agreed in advance with Facility Operator);
- d) informing Moly Mines in the form agreed between the Facility Operator and Moly Mines' advisers prior to the execution of this agreement of any withdrawals of any acceptances from the Acceptance Facility as at 7.00pm (Sydney time) on the day those withdrawals are received (including withdrawals received on any preceding non-Business Day) by 8.30am (Sydney time) on each Business Day (or at any other time upon reasonable request from Moly Mines agreed in advance with Facility Operator);
- upon request by Moly Mines, permit Moly Mines' nominated representatives to review the acceptances at Facility Operator's offices in Sydney at any time during normal business hours or otherwise agreed;
- f) when Moly Mines provides written confirmation in the form of a Confirmation Letter to Facility Operator, forwarding all Acceptance and Transfer Forms and Custodian Directions (as defined in the Terms) received as the Facility Operator to Computershare Investor Services Pty Limited acting in its capacity as Moly Mine's registry (or the relevant custodian, as appropriate) in accordance with the Facility Terms.



Laser Carbon Neutral

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Greenhouse Friendly¹¹

Document is printed on

OMNTKO

MR SAM SAMPLE UNIT 123 SAMPLE STREET SAMPLETOWN NSW 2001

Return your Form:

By Mail:

Computershare Investor Services Ptv Limited GPO Box 52 Melbourne Victoria 3001 Australia

For all enquiries:

Phone:

(within Australia) 1300 105 041 (outside Australia) +61 3 9415 4326

Acceptance Form

ISSUER

Your form must be received by the end of the Offer Period.

This form and the Bidder's Statement are important documents that require your immediate attention. This form relates to an offer ("Offer") by Moly Mines Limited (ABN 32 103 295 521) ("Moly") to acquire all of your fully paid ordinary shares in Queensland Mining Corporation Limited ("QMC") ACN (109 962 469) ("Ordinary Shares") the terms of which are set out in the Bidder's Statement from Moly dated 15 December 2017 as replaced or supplemented (the "Bidders Statement"). Capitalised terms used in this form have the same meaning as in the Bidder's Statement, unless otherwise defined.

If you are in doubt about how to deal with this Offer or complete this form, please contact your financial or other professional advisor.

Note this form can only be used in relation to the securityholding represented by the details printed above and overleaf.

Step 1: Registration Name & Offer Details

Your consideration will be issued to the name(s) as they appear on the latest copy of the QMC register, as provided to Moly. The current address recorded by Moly is printed above and overleaf. If you have recently bought or sold Ordinary Shares your holding may differ from that shown. If you have already sold all your Ordinary Shares, do not complete or return this form.

Step 2: Accept the Offer

Only sign and return this form if you wish to accept the Offer for ALL of your Ordinary Shares.

You cannot accept the Offer for only some of your Ordinary Shares.

By signing this form, you represent and warrant to Moly (and authorise Moly to represent and warrant on your behalf) that all of your Ordinary Shares are now and will be on the date of registration of the transfer to Moly fully paid up, that you have full legal and beneficial ownership of (and full power and authority to sell) the Ordinary Shares to which this form relates and that Moly will acquire them free from all mortgages, charges, liens, encumbrances (whether legal or equitable), restrictions on transfer of any kind and free from any third party rights.

Step 3: Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders must sign.

Power of Attorney: Where signing as Power of Attorney (POA), you must attach an original certified copy of the POA to this form. Companies: Where the holding is in the name of a Company, this form must be signed in accordance with the Corporations Act, either as:

- a sole director and sole company secretary OR a sole director (if no company secretary exists), OR
- two directors, OR
- a director and secretary.

Overseas Companies: Where the holding is in the name of an overseas company (companies incorporated outside Australia) the form must be signed as above, or documentation must be provided showing that the company can sign in an alternate manner. Deceased Estate: All executors must sign and a certified copy of Probate or Letters of Administration must accompany this form.

Entering contact details is not compulsory, but will assist us if we need to contact you.

Step 4: Lodgement

This Acceptance form must be received by Computershare Investor Services Pty Limited at the address noted above before the end of the Offer Period.

Turn over to complete the form





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IND

Acceptance Form

Registration Name & Offer Details

For your security keep your SRN/ HIN confidential.

Registration Name:

MR SAM SAMPLE

UNIT 123 SAMPLE STREET

SAMPLETOWN NSW 2001

Offer Details:

Securityholding as at Day Date Month Year

2000

Securityholder 3

By accepting the Offer for ALL of your Ordinary Shares, you are accepting the Offer for ALL the Ordinary Shares as recorded by Moly as being held by you at the date your acceptance is processed (even if different to the

number stated above).

STEP 2

Accept the Offer

Individual or Securityholder 1

Only sign and return this form if you wish to accept the Offer for ALL of your Ordinary Shares in QMC. The consideration applicable is set out in the terms of Moly's Offer.

STEP 3

Signature of Securityholder(s) This section must be completed.

Securityholder 2

I/We accept the Offer made by Moly for Ordinary Shares in QMC and I/we agree to be bound by the terms and conditions of the Offer and transfer ALL of my/our Ordinary Shares as per the above instruction.

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Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited ("CIS") for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. We may also use your personal information to send you marketing material approved by Moly Mines Limited. You may elect not to receive marketing material by contacting CIS using the details provided on the front of this form or by emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to Moly Mines Limited or to third parties upon direction by Moly Mines Limited where related to the administration of your securityholding or as otherwise required or permitted by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at http://www.computershare.com/au.

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OMNTKO

MR SAM SAMPLE UNIT 123 SAMPLE STREET SAMPLETOWN NSW 2001

Return your Form:



To Your Controlling Participant: Return this form directly to your stockbroker



By Mail:

Computershare Investor Services Pty Limited GPO Box 52 Melbourne Victoria 3001 Australia

For all enquiries:

Phone:



(within Australia) 1300 105 041 (outside Australia) +61 3 9415 4326

Acceptance Form

CHESS

Your form must be received with sufficient time to allow processing prior to the end of the Offer Period.

This form and the Bidder's Statement are important documents that require your immediate attention. This form relates to an offer ("Offer") by Moly Mines Limited (ABN 32 103 295 521) ("Moly") to acquire all of your fully paid ordinary shares in Queensland Mining Corporation Limited ("QMC") ACN (109 962 469) ("Ordinary Shares") the terms of which are set out in the Bidder's Statement from Moly dated 15 December 2017 as replaced or supplemented (the "Bidders Statement"). Capitalised terms used in this form have the same meaning as in the Bidder's Statement, unless otherwise defined.

If you are in doubt about how to deal with this Offer or complete this form, please contact your financial or other professional advisor. Note this form can only be used in relation to the securityholding represented by the details printed above and overleaf.

Step 1: Registration Name & Offer Details

Your consideration will be issued to the name(s) as they appear on the latest copy of the QMC register, as provided to Moly. The current address recorded by Moly is printed above and overleaf. If you have recently bought or sold Ordinary Shares your holding may differ from that shown. If you have already sold all your Ordinary Shares, do not complete or return this form.

Step 2: Accept the Offer

Only sign and return this form if you wish to accept the Offer for ALL of your Ordinary Shares.

You cannot accept the Offer for only some of your Ordinary Shares.

As your Ordinary Shares are in a CHESS holding, you may contact your Controlling Participant directly (normally your stockbroker) with instructions to accept the Offer. If you do this, your Controlling Participant will provide you with details as to what they require in order to accept the Offer on your behalf. If you want Moly to contact your Controlling Participant on your behalf, sign and return this form to the address above so that it is received in sufficient time to allow your instruction to be acted upon by the close of the Offer Period. This will authorise Moly and Computershare Investor Services Pty Limited ("CIS") to request your Controlling Participant to initiate acceptance of the Offer on your behalf.

By signing this form, you represent and warrant to Moly (and authorise Moly to represent and warrant on your behalf) that all of your Ordinary Shares are now and will be on the date of registration of the transfer to Moly fully paid up, that you have full legal and beneficial ownership of (and full power and authority to sell) the Ordinary Shares to which this form relates and that Moly will acquire them free from all mortgages, charges, liens, encumbrances (whether legal or equitable), restrictions on transfer of any kind and free from any third party rights.

You should allow sufficient time for your Controlling Participant or Moly to initiate the acceptance of Moly's Offer on your behalf. Neither Moly or CIS will be responsible for any delays incurred by the process of requesting your Controlling Participant to accept the Offer.

Step 3: Signing Instructions

Individual: Where the holding is in one name, the securityholder must

Joint Holding: Where the holding is in more than one name, all of the securityholders must sign.

Power of Attorney: Where signing as Power of Attorney (POA), you must attach an original certified copy of the POA to this form. **Companies:** Where the holding is in the name of a Company, this form must be signed in accordance with the Corporations Act, either as:

- a sole director and sole company secretary OR a sole director (if no company secretary exists), OR
- two directors, OR
- a director and secretary.

Overseas Companies: Where the holding is in the name of an overseas company (companies incorporated outside Australia) the form must be signed as above, or documentation must be provided showing that the company can sign in an alternate manner.

Deceased Estate: All executors must sign and a certified copy of Probate or Letters of Administration must accompany this form.

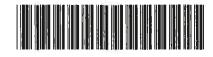
Entering contact details is not compulsory, but will assist us if we need to contact you.

Step 4: Lodgement

This Acceptance form must be received by Computershare Investor Services Pty Limited at the address noted above before the end of the Offer Period.

Turn over to complete the form





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IND

Acceptance Form



Registration Name & Offer Details

For your security keep your SRN/ HIN confidential.

Registration Name:

MR SAM SAMPLE UNIT 123 SAMPLE STREET

SAMPLETOWN NSW 2001

Controlling Participant Identifier:

Offer Details:

Securityholding as at Day Date Month Year.

2000

By accepting the Offer for ALL of your Ordinary Shares, you are accepting the Offer for ALL the Ordinary Shares as recorded by Moly as being held by you at the date your acceptance is processed (even if different to the

number stated above).

STEP 2

Accept the Offer

Individual or Constituted dos 4

Only sign and return this form if you wish to accept the Offer for ALL of your Ordinary Shares in QMC. The consideration applicable is set out in the terms of Moly's Offer.

STEP 3

Signature of Securityholder(s) This section must be completed.

I/We accept the Offer made by Moly for Ordinary Shares in QMC and I/we agree to be bound by the terms and conditions of the Offer and transfer ALL of my/our Ordinary Shares as per the above instruction.

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Sole Director and Sole Company Secretary/ Sole Director (cross out titles as applicable)	Director		Director/Company (cross out titles as			
Contact Name		Contact Daytime Telephone		Date	1	1

Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited ("CIS") for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. We may also use your personal information to send you marketing material approved by Moly Mines Limited. You may elect not to receive marketing material by contacting CIS using the details provided on the front of this form or by emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to Moly Mines Limited or to third parties upon direction by Moly Mines Limited where related to the administration of your securityholding or as otherwise required or permitted by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at http://www.computershare.com/au.

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Securityholder 3

