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ASX Market Announcement

20 December 2016

White Range Project Option and Joint Venture Agreement Signed

Queensland Mining Corporation Ltd (ASX: QMN) (“QMC”) is pleased to announce that QMC and its wholly owned subsidiaries, Sierra Line Pty Ltd (“SL”) and Mt. McNamara Pty Limited (“MM”), have entered into an Option and Joint Venture Agreement (“the Agreement”) with Teck Australia Pty Ltd (“Teck”), a wholly owned subsidiary of Canada’s largest diversified resource company, Teck Resources Limited (“Teck Resources”), on the White Range copper project in northwest Queensland.

In line with the Company’s strategy to develop the flagship White Range project, QMC has been focused on exploring near surface leachable copper mineralization within the White Range tenement package so that additional resources can leverage the same infrastructure to reduce the capital cost. However, the potential for the project to host larger copper-gold and lead-zinc systems remains relatively untested. To this end, the Company has been actively looking for a suitable joint venture partner over the last few years to explore for these systems and is pleased with Teck’s interest in the project.

Teck has been directly involved in two sizable discoveries over the last 12 years in Australia being the Carrapateena copper-gold deposit in South Australia currently under development by OZ Minerals, and the Teena zinc-lead deposit discovered in the Northern Territory in 2013.

Agreement Terms

Under the Agreement, QMC/SL/MM has granted Teck an option to earn a 70% interest in the following tenements (Figure 1):

EPM14148 White Range #1

EPM15740 (part shown on the enclosed map) Kuridala South

EPM15897 White Range Consolidated

EPM25849 Copper Canyon East

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

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

QMC’s CEO Eddy Wu said, “This Option and JV Agreement with Teck will reinforce QMC’s commitment to explore and develop its important assets by utilising the expertise and resources from a global leader in base metal exploration and development. It also demonstrates the high quality and great potential of the tenements owned by the Company. QMC will continue its prime focus on growing the copper resource base of the White Range project within its extensive Mineral Development Licences (“MDLs”) and Mining Leases (“MLs”) with the endeavour to bring the project into production in the near future.”

For further details please contact:

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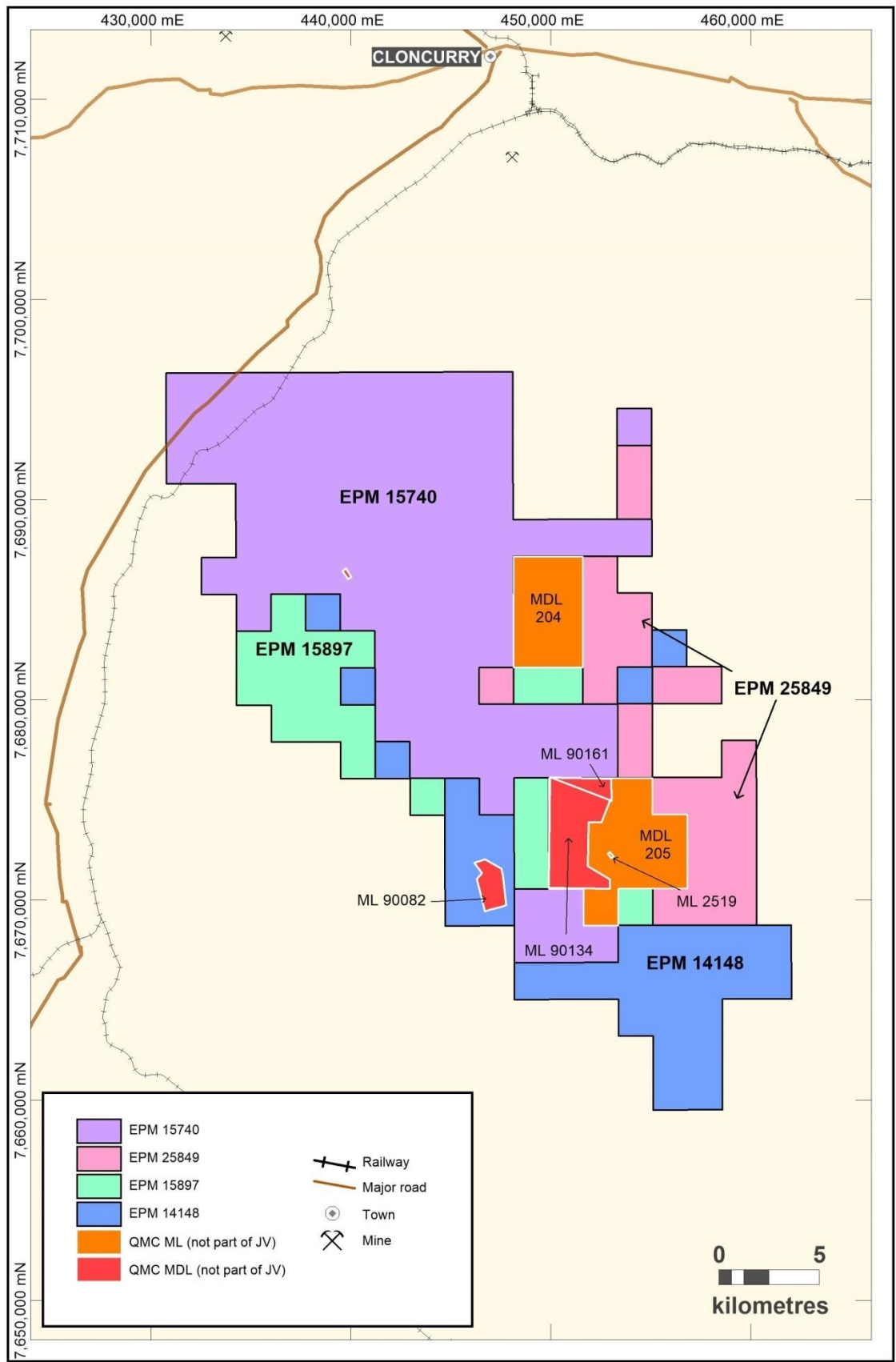


Figure 1. Option and JV Tenement distribution plan