



Queensland Mining Corporation Limited

ABN: 61 109 962 469

ASX Code: QMN

Phone: +61(2) 9267 8932

Fax: +61(2) 9269 0076

Web: www.qmcl.com.au

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

ASX Market Announcement

29 December 2016

Variation of the Young Australian Agreement and the Sale of ML 90083 - Stuart

The Board of Queensland Mining Corporation Ltd (ASX: QMN) is pleased to announce that the Company and Chinova Resources Cloncurry Mines Pty Ltd (Chinova) have entered into a deed of variation on the Young Australian Agreement dated 6 June 2012. The Young Australian prospect consists of four mining leases (ML7511, ML7512, ML90084 and ML90099) 100% owned by the Company, and six sub-blocks within EPM18912 which are owned by Chinova. Under the Young Australian Agreement QMC has the exclusive rights to explore for mineralization in the six sub-blocks over a period of five years until June 2017. The deed of variation extends the exclusive rights period by another three years to June 2020.

In addition, as part of the QMC's strategy to divest non-core mining assets and focus on the Company's flagship White Range Project, the Company and its wholly owned subsidiary Maxiforde Pty Ltd (Maxiforde) have entered into a Sale and Purchase Deed with Chinova. Subject to the terms of the Deed, Maxiforde agrees to sell and Chinova agrees to purchase the ML90083 - Stuart and the call option agreement entered between the parties on 6 June 2012 will be terminated.

Chinova will pay Maxiforde \$450,000 on the settlement date and Maxiforde is entitled to royalty payments from Chinova based on \$0.65 per tonne of ore treated, capped to \$1.4 million.

QMC's CEO Eddy Wu said, "The deal is a win/win for both QMC and Chinova. QMC retains its exclusive rights to explore the Young Australian prospect for an additional three years and has extra funding to help the development of the flagship White Range Project whereas Chinova acquires ML 90083 – Stuart to supplement their existing mining operations in the area."

For further details please contact:

Mr Eddy Wu

Tel: 02 9267 8932

Email: admin@qmcl.com.au