QMINES LIMITED
ZERO CARBON CRITICAL METALS

11th September 2023 ASX:QML

QMINES LIMITED

Australia's First Zero Carbon Copper & Gold Developer...

DRILLING TO COMMENCE AT THE VT04 ANOMALY

Highlights

- Access agreement now finalised for highest priority Electromagnetic target (VT04);
- Multiple Electromagnetic plate anomalies with dimensions of over 600m x 250m have been modelled;
- Buried Electromagnetic target covered by colluvium and previously unexplored;
- Initial drill program designed and site access now approved; and
- Drilling to commence upon completion of current Artillery Road program.

Overview

QMines Limited (**ASX:QML**) (**QMines** or **Company**) is pleased to announce that drilling will commence shortly at the highest ranked Electromagnetic (**EM**) target, VT04, from its regional airborne geophysical survey. VT04 is situated within the Company's flagship Mt Chalmers Copper Gold Project, located 17km north-east of Rockhampton, Queensland (Figure 1).

Following identification and ranking of EM anomalies by QMines consultants Mitre Geophysics (**Mitre**), ground investigations covering multiple new EM targets have been undertaken. Recent field reconnaissance of the highest priority VT04 EM target has shown the modelled EM plate anomalies are covered by colluvium, preventing on ground geological interpretation and a geochemical response.

Modelling by Mitre has revealed multiple EM anomalies at the VT04 prospect. One set dips shallowly from 10-50 metres below surface and another set dip steeply north and south (Figures 6). The strongest EM target at the VT04 prospect can now be drill tested following on from the success of the EM modelling at the Artillery Road prospect.

Overview (Continued)

Modelling of the Company's VTEM data has identified a series of strong, early to late time EM responses with associated RTP Total Magnetic Intensity (TMI) gradient (Figure 3).

The VT01 – VT03 EM anomalies are located in the north-west quadrant of the tenement package at the Artillery Road prospect. The highest priority VT04 EM anomaly is located south towards Rockhampton (Figure 1). These EM anomalies have been ranked as priority drill targets by the Company.

QMines is currently finalising the first stage of its drilling operations at the Artillery Road discovery, where drilling operations are expected to be completed shortly.

With access agreements now in place for the VT04 prospect, drilling operations are expected to commence once rig access tracks and drill site pads have been prepared.

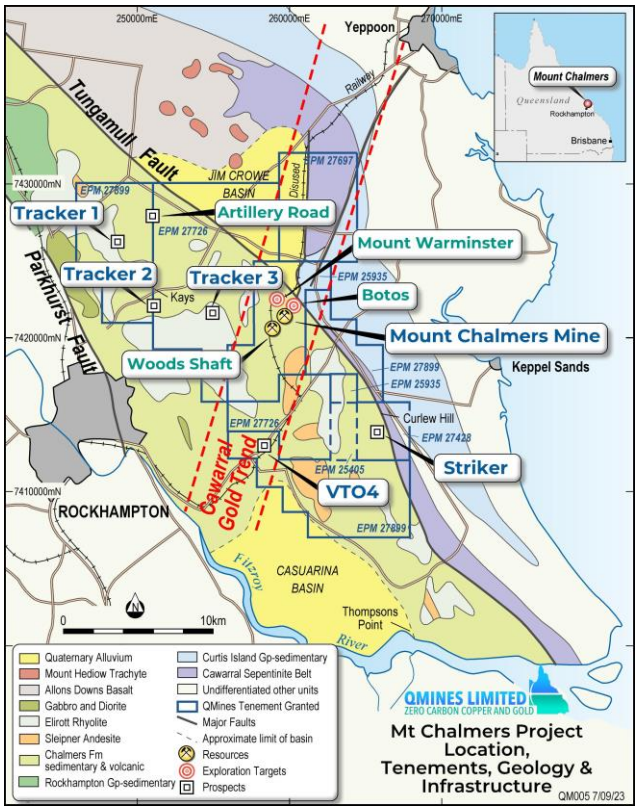

Figure 1: Location of Mt Chalmers tenure, geology & infrastructure.

Management Comment

QMines Managing Director, Andrew Sparke, comments;

"The Company is pleased to have secured access to commence drilling at our highest priority electromagnetic target, VT04.

"Drilling the first electromagnetic targets at the Artillery Road prospect has proven successful. The VT04 electromagnetic anomalies have a significantly stronger electromagnetic response, so we are excited to get drilling underway."

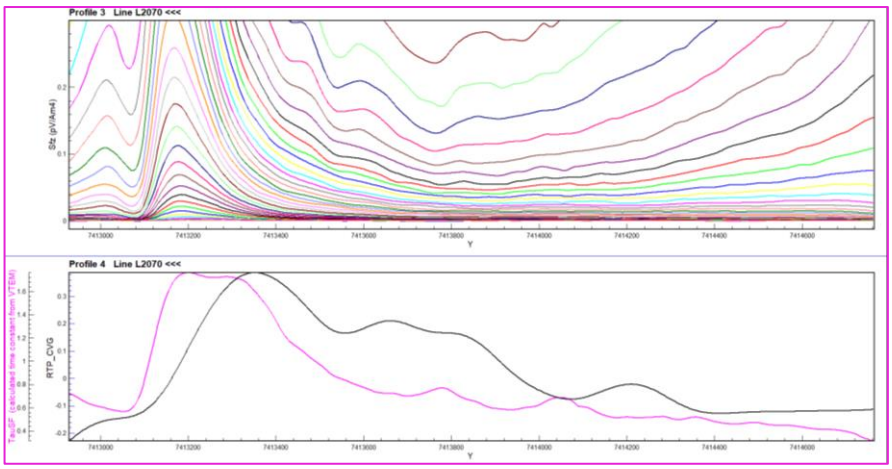

Figure 2: Strong EM and mag response over conductor, line position is shown in Figure 3.

Overview (Continued)

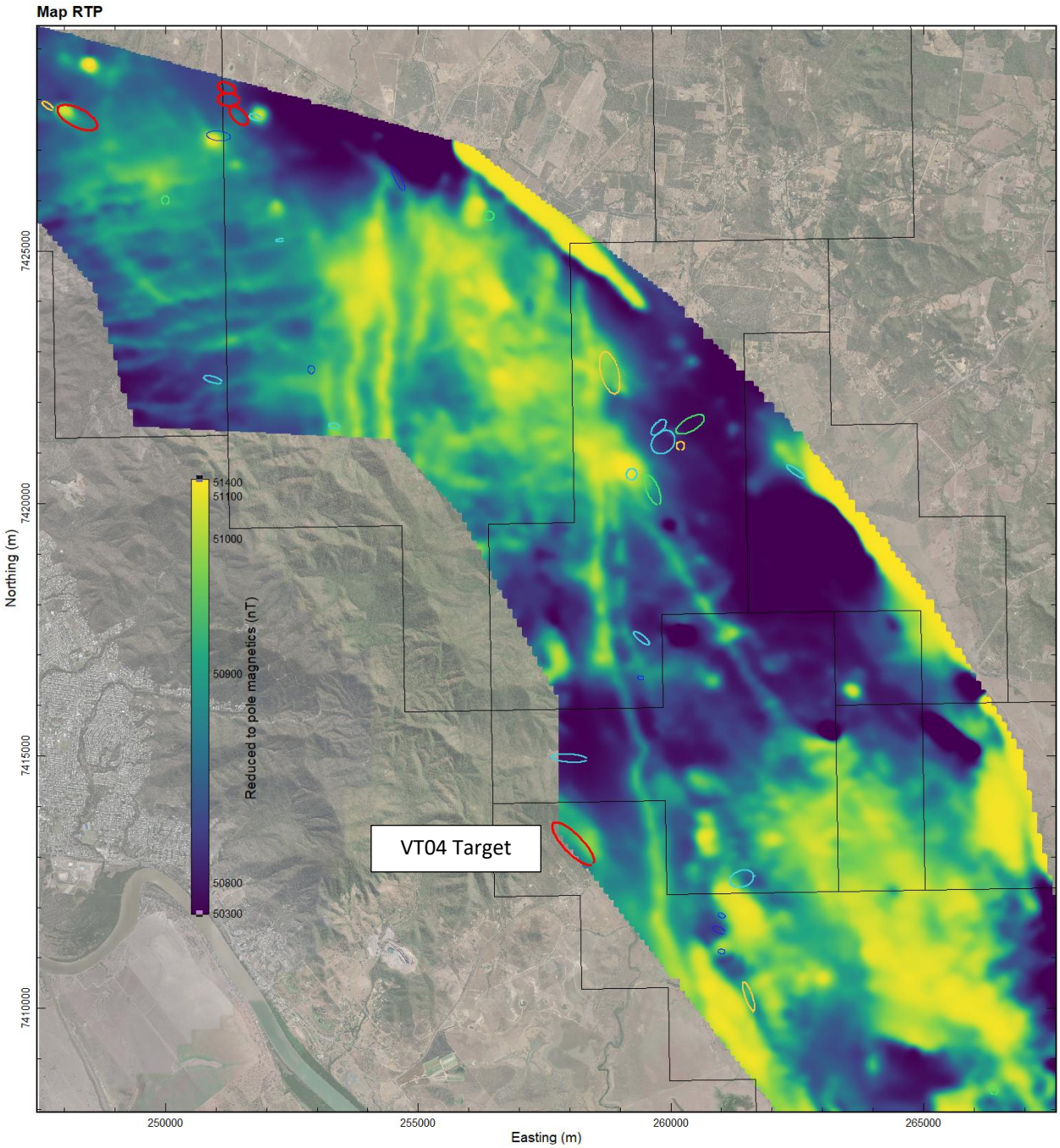

Figure 3: EM anomalies superimposed on reduce to pole magnetics, displayed with a viridis colour pallete.

VT04 EM Target - Surface Conductor

Modelling of the VT04 anomaly resulted in a surprisingly complex model comprising five EM plates over four surveys lines. This complexity is because the source seems to comprise essentially two very distinct types of signals.

Modeling of the VT04 anomaly shows a strong, steeply dipping conductor below a weaker flat to gently dipping conductor. The early to mid-time response appears to be caused by a large, gently south dipping zone. It is moderate to weakly conductive with a depth of between 1 - 50 metres below surface.

The source of the surface conductor is interpreted to be the result of a large alteration zone. The conductor does not appear to be man made as the anomaly is far too broad and conveys low noise levels.

VT04 EM Target - Surface Conductor (Continued)

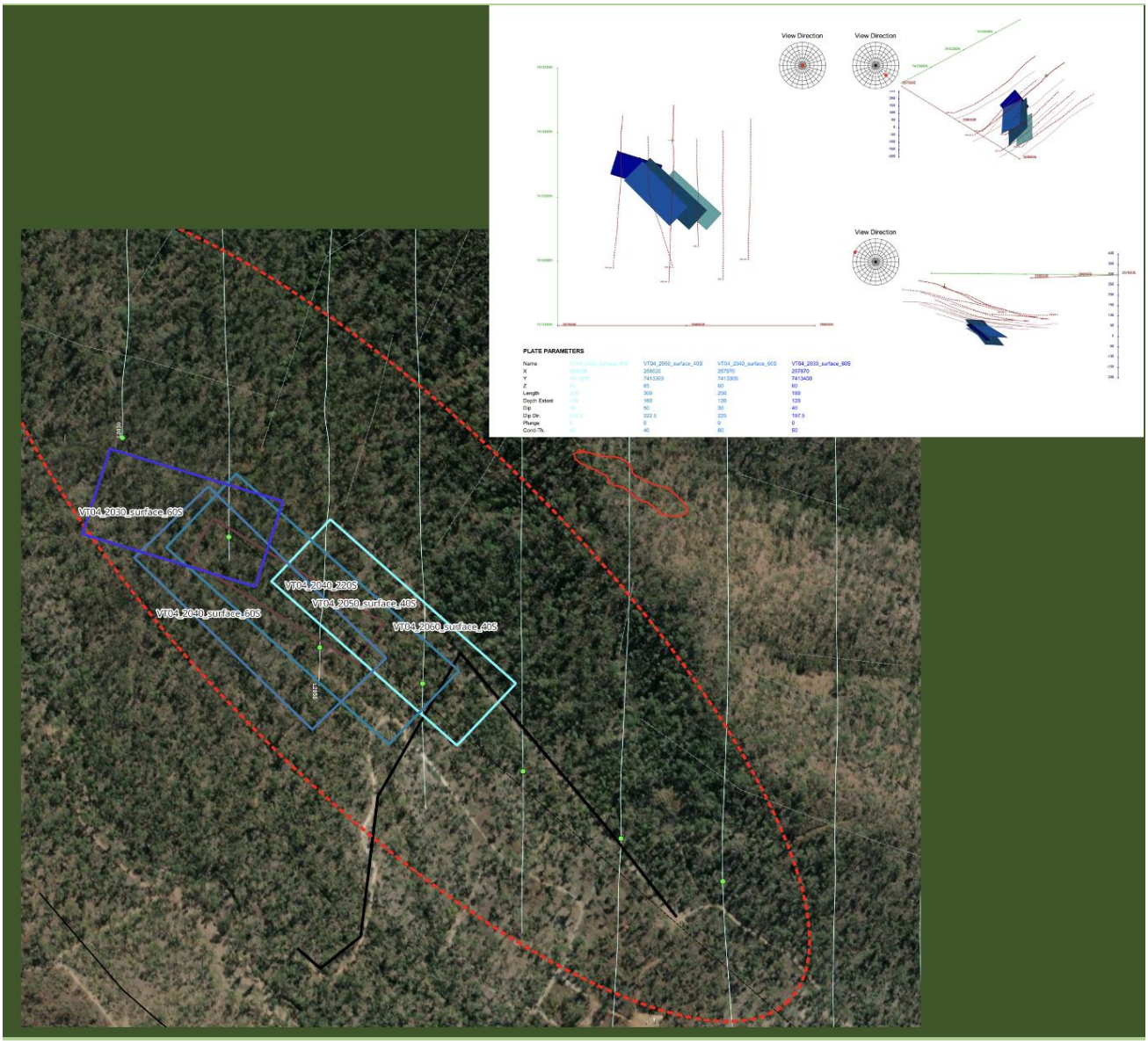

Figure 4: VT04 surface conductor plate models.

VT04 EM Target - Basement Conductor

At late time, the response changes from the broad single peak anomaly typical of a flat lying conductor to a more complex double peak anomaly indicative of a steeply dipping source. Five plates are modelled which appear steeply dipping north to near vertical. The exact dip is not well constrained except that it is “steep” and that planned drilling of this basement conductor should be at a relatively low angle to the plate model.

There is also an apparent third conductor, VT04_2030_southdip_50s, that appears as a separate conductor from the main trend and can be seen in Figure 6. This figure shows the EM plate model parameters in sectional view with the early and late time responses.

VT04 EM Target - Basement Conductor (Continued)

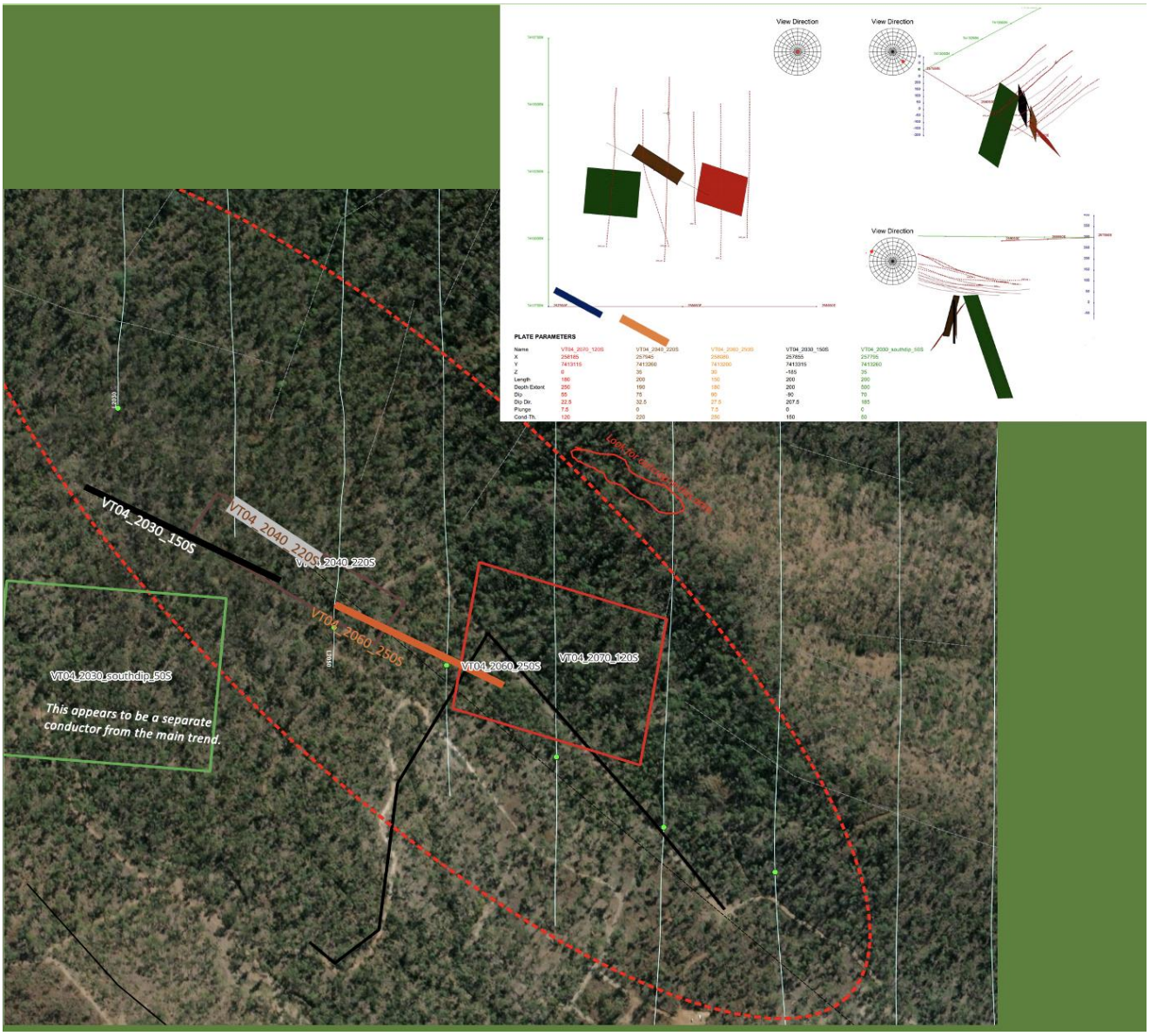

Figure 5: VT04 basement conductor plate models.

Geology

QMines mapping has found the target area to be covered by geologically recent, valley fill colluvium (Figure 8). Stream exposures reveal this colluvium to be at least three metres thick (Figure 7). Part of the colluvium was noted to be ferruginous with red-black clasts forming the upper, north-western part of the valley fill.

Permian siltstone of the Berserker Beds is exposed along the valley margin to the north-east and dips at 20 – 50° towards the north-east. Given the lack of geological control on the EM targets, it is necessary to test these by drilling.

Geology (Continued)

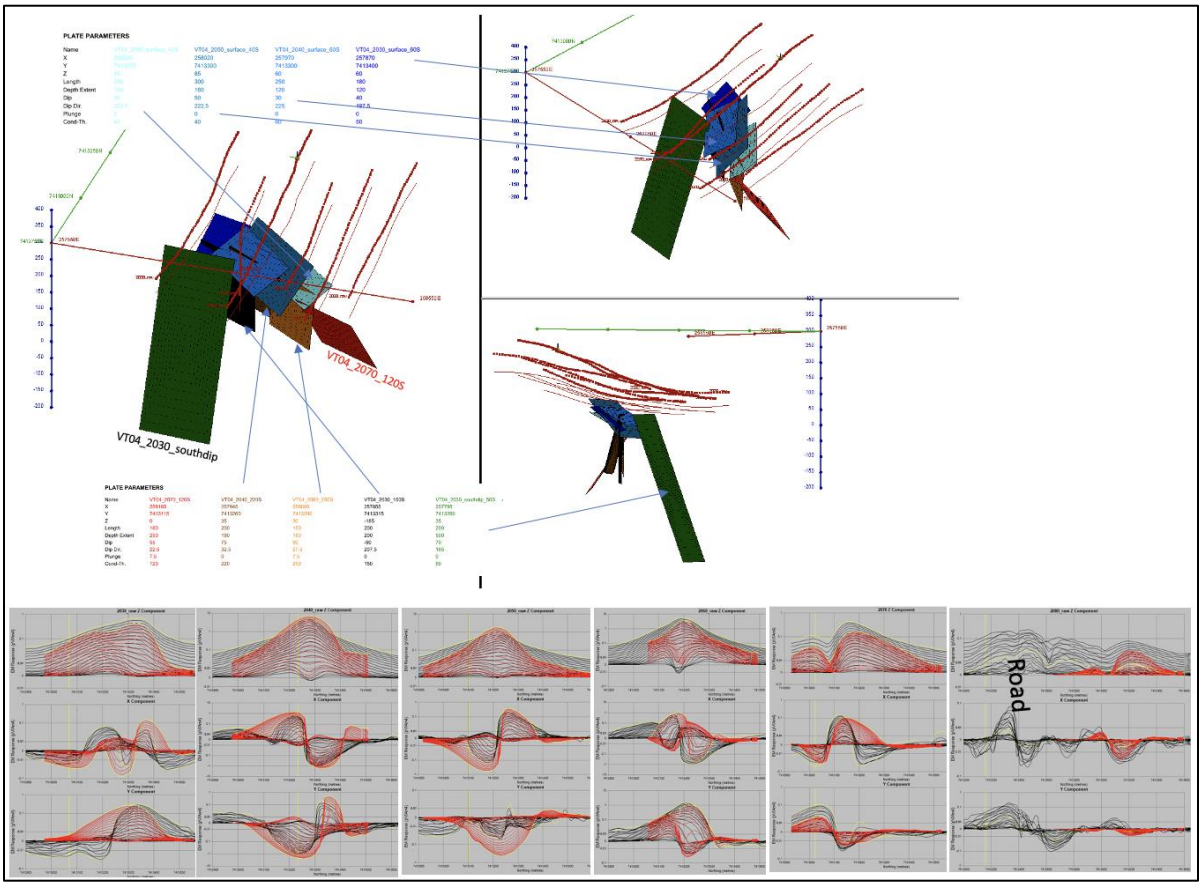

Figure 6: Plate model parameters in 3D view with early and late time responses.

Figure 7: Typical colluvium (L) and Fe colluvium (R).

Geology (Continued)

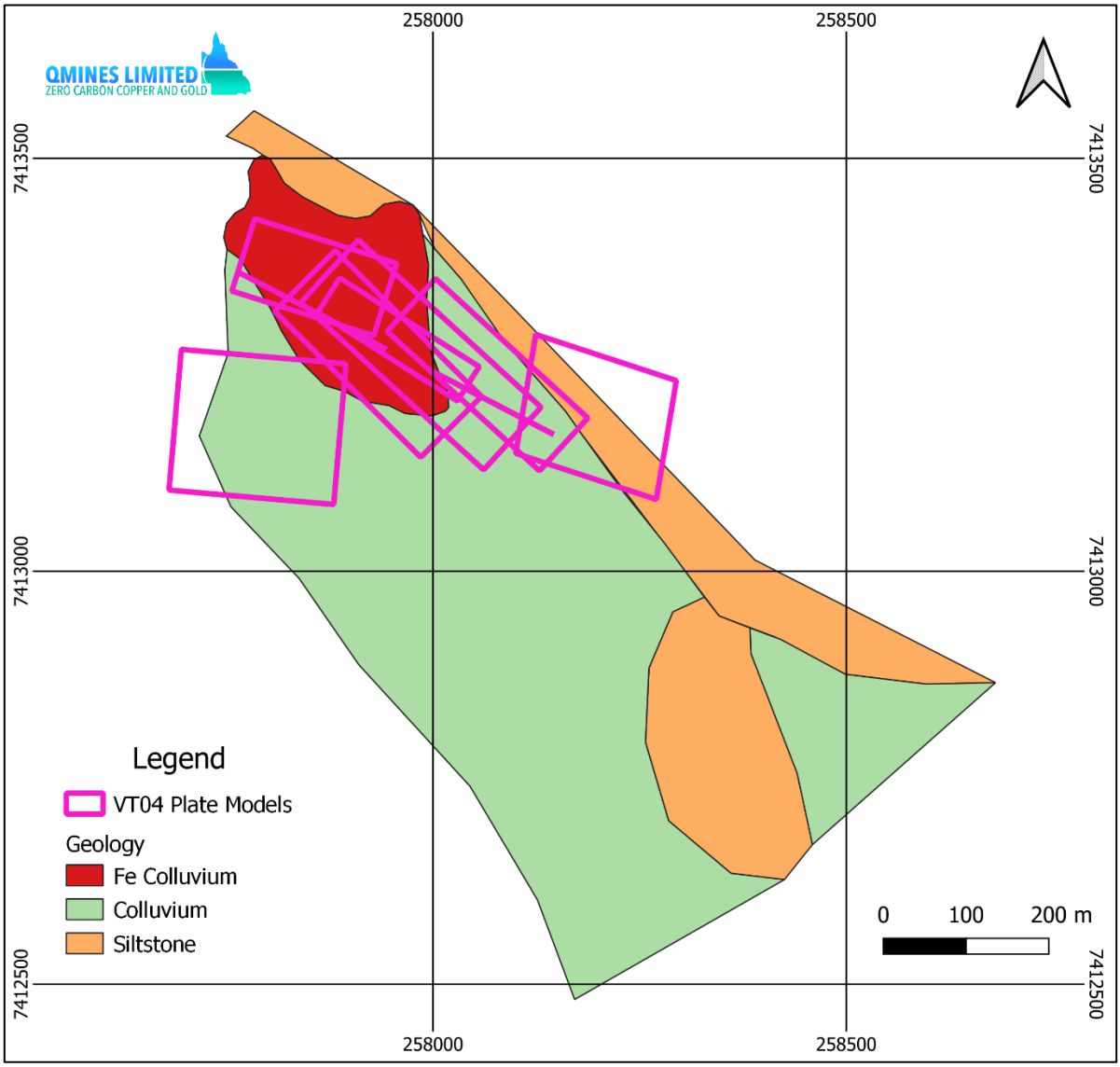

Figure 8: Plate models and geology.

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning QMines Limited planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "expect," "intend," "may", "potential," "should," and similar expressions are forward-looking statements. Although QMines believes that its expectations reflected in these forward- looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that further exploration will result in the estimation of a further or larger Mineral Resource.

Competent Person Statement (Exploration)

The information in this document that relates to mineral exploration and exploration targets is based on work compiled under the supervision of Mr Glenn Whalan, a member of the Australian Institute of Geoscientists (AIG). Mr Whalan is QMines' principal geologist and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC 2012 Mineral Code). Mr Whalan consents to the inclusion in this document of the exploration information in the form and context in which it appears.

About QMines

QMines Limited (**ASX:QML**) is a Queensland based copper and gold exploration and development company. The Company owns rights to 100% of The Mt Chalmers (Cu-Au) and Develin Creek (Cu-Zn) deposits. The Company's Mt Chalmers and Develin Creek projects are located within 100km of Rockhampton in Queensland.

Mt Chalmers is a high-grade historic mine that produced 1.2Mt @ 2.0% Cu, 3.6g/t Au and 19g/t Ag between 1898-1982. The Mt Chalmers project now has a Measured, Indicated and Inferred Resource (JORC 2012) of 11.86Mt @ 1.22% CuEq for 144,700t CuEq.[1] **QMines is expecting to publish an updated Mineral Resource Estimate for the Develin Creek project imminently.**

QMines' objective is to commercialise existing deposits, make new discoveries and transition the Company towards sustainable copper production.

Projects & Ownership

Mt Chalmers (100%)

Silverwood (100%)

Warroo (100%)

Herries Range (100%)

QMines Limited

ACN 643 212 104

Directors & Management

SIMON KIDSTON
Non-Executive Chairman

ANDREW SPARKE
Managing Director

ELISSA HANSEN (Independent)
Non-Executive Director & Company Secretary

PETER CARISTO (Independent)
Non-Executive Director (Technical)

JAMES ANDERSON
General Manager Operations

Shares on Issue

206,215,512

Unlisted Options

9,450,000 ($0.375 strike, 3 year term)

Compliance Statement

With reference to previously reported Exploration results and mineral resources, the Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parametres underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

This announcement has been approved and authorised by the Board of QMines Limited.

Contact

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[1] ASX Announcement - Mt Chalmers Resource Upgrade, 22 November 2022.