



Queensland Mining Corporation Limited

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Quarterly Report

For the period ended 30 September 2014

30 October 2014

HIGHLIGHTS

Operations

- The Company continues to carry out its planned 2014 exploration program.
- Highlights of the exploration activities for the quarter mainly include receipt of encouraging assay results for the one diamond hole (394m) completed at the Black Fort prospect and drilling of a diamond hole (377m) into the Greenmount deposit for potential sulphide copper mineralisation underneath the existing resources. The best drill intercept for the Black Fort drillhole is 8m@ 0.78% Cu from 313m whilst the assays for the diamond hole drilled in Greenmount is being pending.

Corporate

- The Company continue the dialog with a few parties for potential cooperation in joint development of the company's flagship White Range Project.
- The former Managing Director, Mr Howard Renshaw and Butmall Pty Limited have served an appeal in respect of the judgements and orders delivered by the Federal Court of Australia. The hearing of the appeal is scheduled on 26 November 2014.

Exploration Activities Report

White Range Project

The Company's White Range project consists of three major deposits located at Greenmount, Kuridala and Young Australian plus several satellite deposits in the surrounding areas (e.g. Mt McCabe, Vulcan and Desolation) (Figure 1). The total JORC compliant resources for the project consist of 4.7Mt@ 1.1% Cu for 51,700t of contained copper metals in the measured category, 14.3Mt@ 0.8% Cu for 114,400t of contained copper metals in the indicated category and 9Mt @ 0.7% Cu for 63,000t of contained copper metals in the inferred category.

QMC's exploration strategy over the last 12 months has been focused on growing the resource base in the White Range area and exploring the deep sulphide copper potential at top ranked prospects. Exploration activities highlighted in the current quarter mainly include the receipt of the assay results from the one diamond hole completed at Black Fort and drilling of a diamond hole (377m) into the Greenmount deposit for possible sulphide copper mineralization at depth.

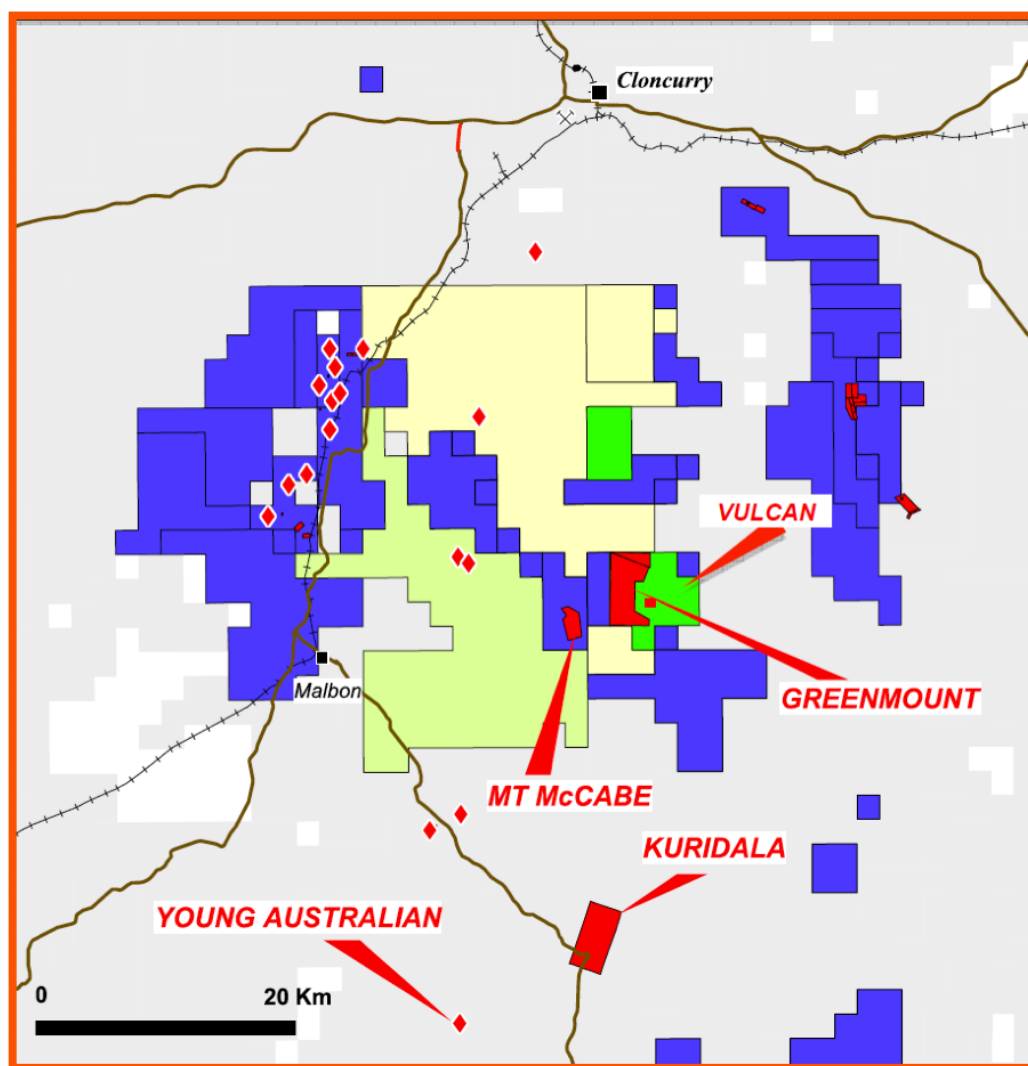


Figure 1 White Range project location plan

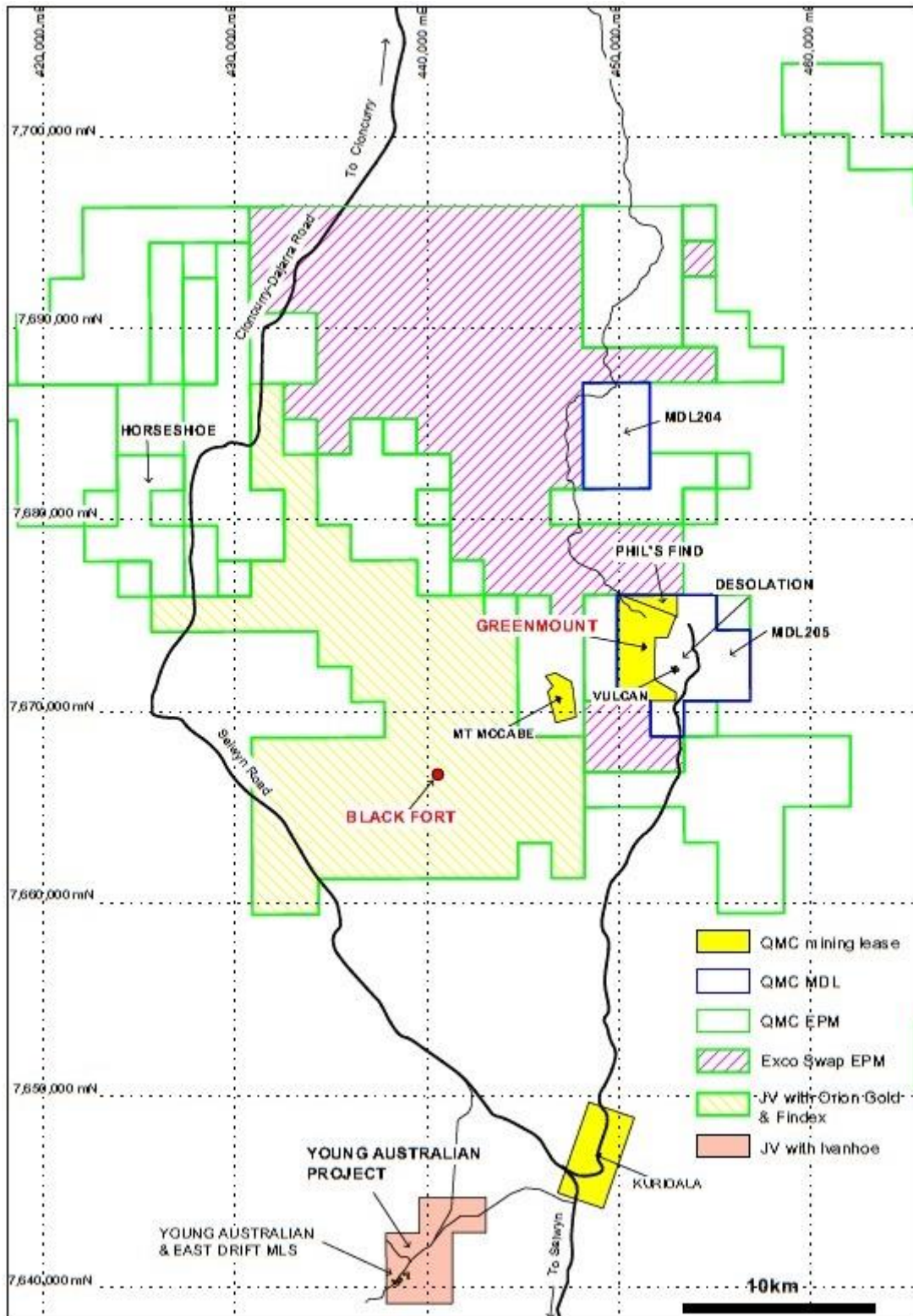


Figure 2 Regional location of Black Fort and Greenmount prospects

1. Black Fort Prospect

The Black Fort prospect is located approximately 45km south-southwest of Cloncurry and 12 kilometres southwest of Greenmount and forms part of the White Range project (Figure 2). The surrounding tenement is EPM17602 which is in JV with Orion Gold NL (ca. 4.2%) and Findex Pty Ltd (15%). Under the joint venture agreement, both QMC and Orion Gold need contribute towards the exploration expenditure on a pro rata basis to retain their respective interests in the JV with Findex's interest being free carried.

The project geology comprises calcareous and ferruginous siltstone, shales, phyllite, metavolcanics and jaspilite rocks of the Overhang Jaspilite unit of the Mid Proterozoic Mary Kathleen Group. The same unit also hosts the large Rocklands copper deposit near Cloncurry which is currently being developed by Cudoco Limited. The sedimentary sequence has been strongly deformed with the development of NE trending folds and NNE striking faults and shear zones showing widespread alteration and brecciation.

Previous exploration by QMC has identified a 1 kilometre long structural zone with widespread alteration, broad copper mineralisation, moderate magnetic anomaly and old workings. Drilling by QMC in 2010 intersected widespread copper mineralisation with results including 17m at 1.51% Cu and 57m at 0.69% Cu. The mineralisation remains open along strike and at depth.

In order to test the down dip extension of the oxide copper mineralization and its possible transition into sulphide mineralisation at depth, a diamond hole up to 394m was drilled in the last quarter. The drilling details are presented in Table 1.

Table 1 Detailed information for the diamond hole completed at Black Fort

Hole ID	Easting_MGA	Northing_MGA	RL	Azi_Mag	Azi_MGA	Dip	Depth (m)
BF14RCD02	440,594	7,666,651	291	250	256	-65	394

Assay results have been received during the quarter with multiple zones of low grade sulphide copper being intersected (Figure 3). The best drill intercept (using a 0.2% Cu cut-off; estimated true widths are approximately 70% of the drilled interval) from the program is

- **8m @ 0.78% Cu from 313m and**
- **3m @ 0.68% Cu from 337m**

It should be emphasized that all the encountered copper mineralisation is comprised of primary sulphide minerals such as chalcopyrite and pyrite, suggesting the oxide copper present at surface and shallow depth is a result of the weathering process of the deep sulphides. Such an understanding in ore genesis will open up new opportunity for exploration of sulphide copper along the 25km long Overhang Jaspilite unit within the Company's tenement holdings.

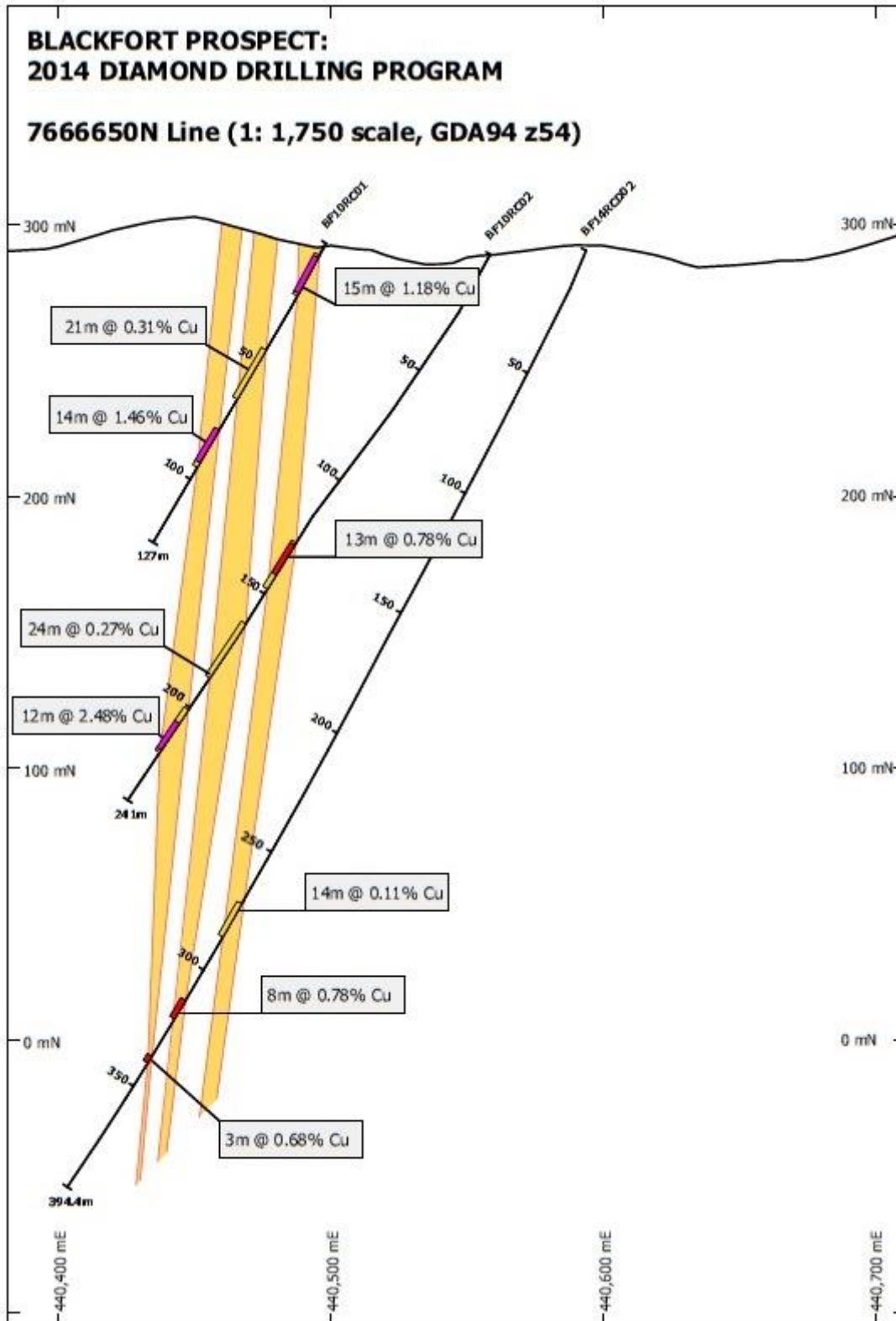


Figure 3 Cross section showing multiple zones of sulphide copper mineralisation intersected by the recent drilling in Black Fort (looking northeast)

2. Greenmount prospect

The Greenmount copper deposit is located 36 km south of Cloncurry, northwest Queensland (Figure 2). It is the largest single deposit within the Company's 100% owned White Range copper project and has a current JORC resource of 1.2Mt at 1.30% Cu, 0.50g/t Au and 0.07% Co in the measured category, 7.7Mt @ 0.80% Cu, 0.30g/t Au and 0.06% Co in the indicated category and 3.8Mt @ 0.60% Cu, 0.20g/t Au and 0.04% Co in the inferred category. This resource is dominated by oxide copper in the shallow depth (to ca. 30m) and transitional copper (dominated by chalcocite) to the proposed pit floor (100m vertical depth).

The mineralization occurs as veins, stockwork and breccia zones of malachite, azurite, chalcocite and pyrite along with quartz and feldspar in the Marimo slate unit at or near the contact with the underlying Staveley Formation siltstone and sandstone. The ore body trends northwest and moderately dips towards east for a combined strike length of 1000m and width of up to 90m. Several phases of drilling campaign have been undertaken in Greenmount over the last 30 years but most holes were limited only to 100m depth.

In order to test the deep sulphide copper potential at Greenmount, a diamond hole was proposed and completed at 377m (Figure 4) when this report is being written. Visual examination of the core indicated the presence of fine grained chalcopyrite and pyrite dissemination and stringers associated with intensely altered and sheared black slate over 30m downhole from 318m. Selected drill core will be cut and dispatched to ALS Laboratories shortly and assay results will be reported once on hand.

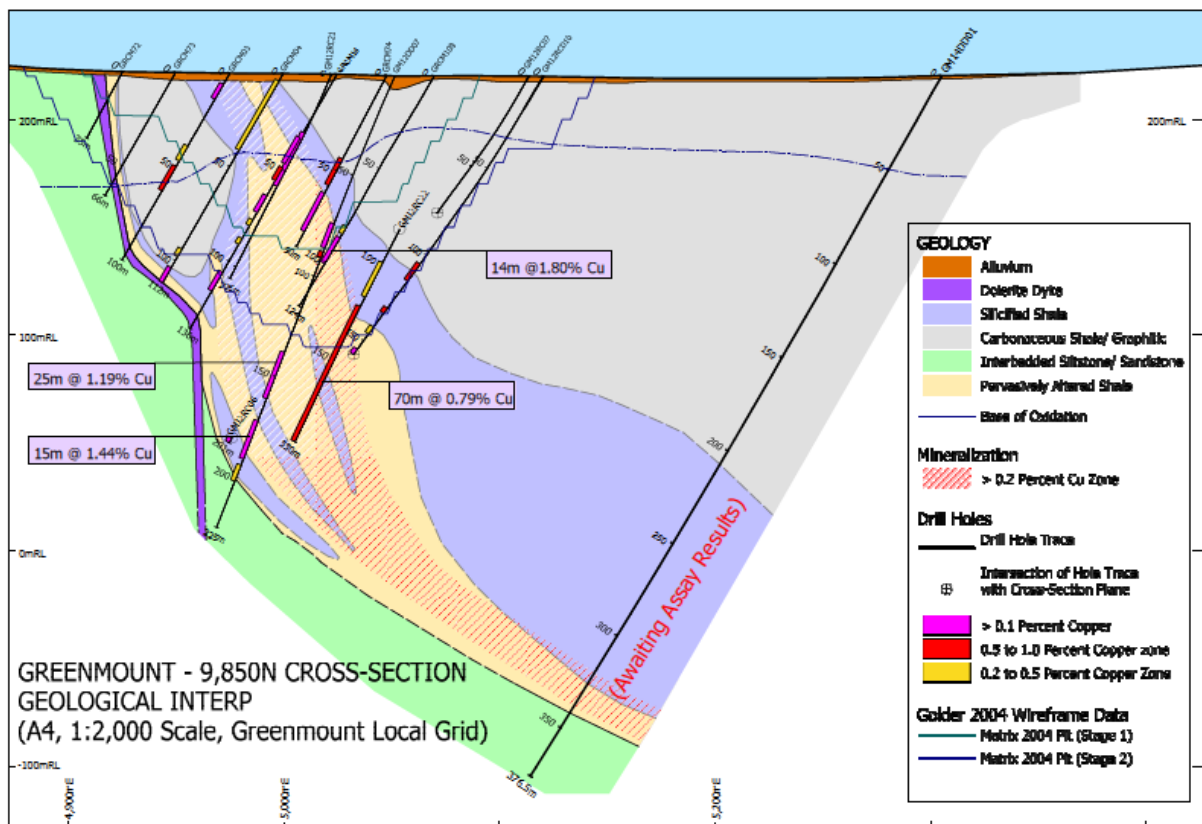


Figure 4 Cross section showing the recently completed diamond hole in Greenmount (looking northwest)

Corporate Activities

The Company continue the dialog with a few parties for potential cooperation in joint development of the company's flagship White Range Project.

On 5 May 2014, the Federal Court of Australia made its final orders including orders requiring repayment of the termination payments in full, together with pre-judgement interest from Mr Howard Renshaw and his controlled entity, Butmall Pty Limited and accountants DKF Richard Hill Pty Limited. The Court also ordered that Mr Renshaw and Butmall pay 80% of QMCL's cost of QMCL's claim and all of QMCL's costs of Mr Renshaw and Butmall's cross-claim, which was dismissed.

DFK Richard Hill Pty Ltd was a party to the proceedings on the basis that some of the termination payment were made to its trust account and \$50,333 of that sum remained in its trust account at the time of the hearing. DFK has already repaid the \$50,333 to QMCL in accordance with the Court's Orders.

Mr Renshaw and Butmall have not repaid the amount they have been ordered to repay and on 3 June 2014, those parties served an appeal in respect of the judgements and order mentioned above. The hearing of the appeal is scheduled on 26 November 2014.

For further details please contact:

Mr Eddy Wu
CEO
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Email: Admin@qmcl.com.au

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dr Guojian Xu, a Member of Australasian Institute of Mining and Metallurgy. Dr Xu is a consultant to Queensland Mining Corporation Limited through Redrock Exploration Services Pty Ltd. Dr Xu has sufficient experience deemed relevant to the style of mineralization and type of deposit under consideration and to the activity, which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting Results, Mineral Resources and Ore Reserves. Dr Xu consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

Queensland Mining Corporation Limited

ABN

61109962469

Quarter ended ("current quarter")

30 September 2014

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (3 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(608)	(608)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	14	14
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)		
-GST refund	29	29
-ATO GIC	(8)	(8)
-Payroll & PAYG Tax paid	(67)	(67)
Net Operating Cash Flows	(885)	(885)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets		
1.9 Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets		
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
-Joint Venture	10	10
Net investing cash flows	10	10
1.13 Total operating and investing cash flows (carried forward)	(875)	(875)

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(875)	(875)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.		
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (provide details if material)		
	Net financing cash flows	0	0
	Net increase (decrease) in cash held		
1.20	Cash at beginning of quarter/year to date	1,865	1,865
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	990	990

Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	59
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

Payment to Lakshman Jayaweera	
- Director fee	12
Payment to Eddy Wu	
- Director fee	25
Payment to Jun Qiu	
- Director fee	12
Payment to Joyce Wang which Joyce Wang is an alternate Director	
- Accounting and taxation services	10

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

During the quarter 2,889,068 fully paid ordinary shares were issued to a contractor at \$0.0118 per share as consideration for exploration consultancy services provided by the party.

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

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Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities		
3.2 Credit standby arrangements		

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	250
4.2 Development	
4.3 Production	
4.4 Administration	200
Total	450

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	36	35
5.2 Deposits at call	817	1,509
5.3 Bank overdraft	-	-
5.4 Other Online Saving Account	137	321
Total: cash at end of quarter (item 1.22)	990	1,865

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter	
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	EPM17249, QLD	EPM	100%	0%
		EPM17250, QLD	EPM	100%	0%
		EPM17251, QLD	EPM	100%	0%
		EPM17322, QLD	EPM	100%	0%
		EPM17324, QLD	EPM	100%	0%
		EPM17326, QLD	EPM	100%	0%
6.2	Interests in mining tenements and petroleum tenements acquired or increased				

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities (description)			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	+Ordinary securities	1,129,238,396	1,129,238,396	
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	2,889,068	2,889,068	\$0.0118
7.5	+Convertible debt securities (description)			

+ See chapter 19 for defined terms.

Mining exploration entity and oil and gas exploration entity quarterly report

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options (description and conversion factor)	17,450,000 (1 option for 1 ordinary share)	Nil	Exercise price 10 cents/share	Expiry date 30/11/2014
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures (totals only)				
7.12	Unsecured notes (totals only)				

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does /does not* (*delete one*) give a true and fair view of the matters disclosed.



Sign here:

Company secretary

Date: 30/10/2014

Print name: Pipvide Tang

+ See chapter 19 for defined terms.

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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Appendix 1 QMC Tenement Schedule as at 30 September 2014

Tenement Name	Tenement Number	Location	Interest at Beginning Quarter	Interest at End Quarter	Acquired during Quarter	Disposed during Quarter	JV Partner/Farm-in Party
Cloncurry South	EPM 13336	NW QLD	100%	100%	-	-	
White Range #1	EPM 14148	NW QLD	100%	100%	-	-	
White Range #2	EPM 14163	NW QLD	100%	100%	-	-	
White Range #4	EPM 14475	NW QLD	100%	100%	-	-	
White Range #6	EPM 15031	NW QLD	100%	100%	-	-	
Mt Tracey	EPM 15196	NW QLD	100%	100%	-	-	
Top Bore	EPM 15520	NW QLD	100%	100%	-	-	
Tommy Creek	EPM 15706	NW QLD	100%	100%	-	-	
Duck Creek South	EPM 15718	NW QLD	100%	100%	-	-	
Kuridala South	EPM 15740	NW QLD	Exclusive exploration right	Exclusive exploration right	-	-	Exco Resources
Sunny Mount	EPM 15858	NW QLD	100%	100%	-	-	
Mt Norma	EPM 15879	NW QLD	100%	100%	-	-	
White Range Consolidated	EPM 15897	NW QLD	100%	100%	-	-	
Jessievale	EPM 16078	NW QLD	100%	100%	-	-	
Mt Brownie	EPM 16628	NW QLD	100%	100%	-	-	
Mt Sheaffer	EPM 16976	NW QLD	100%	100%	-	-	
Pigeon South	EPM 17246	NW QLD	100%	100%	-	-	
Coolullah	EPM 17247	NW QLD	100%	100%	-	-	
Pigeon North	EPM 17248	NW QLD	100%	100%	-	-	
Coolullah South	EPM 17249	NW QLD	100%	100%	-	Lapsed	
Coolullah South Extended	EPM 17250	NW QLD	100%	100%	-	Lapsed	
Koolamarra	EPM 17251	NW QLD	100%	100%	-	Lapsed	
Pigeon 1	EPM 17322	NW QLD	100%	100%	-	Lapsed	
Pigeon 3	EPM 17323	NW QLD	100%	100%	-	-	

Pigeon 2	EPM 17324	NW QLD	100%	100%	-	Lapsed	
Middle Creek	EPM 17326	NW QLD	100%	100%	-	Lapsed	
Top Camp	EPM17602	NW QLD	Earning 85%	Earning 85%	-	-	Orion Gold/Findex
Mt Norma West	EPM 17922	NW QLD	100%	100%	-	-	
Flamingo West	EPM 18106	NW QLD	100%	100%	-	-	
Elder Creek	EPM 18286	NW QLD	100%	100%	-	-	
Slaty Creek	EPM 18440	NW QLD	100%	100%	-	-	
Gold Reef Dam	EPM 18663	NW QLD	100%	100%	-	-	
WEDGETAIL	EPM 18912	NW QLD	100%	100%	-	-	
Elder Creek East	EPM 19149	NW QLD	100%	100%	-	-	
Turpentine Creek	EPM 19150	NW QLD	100%	100%	-	-	
Weatherly Creek South	EPM 19165	NW QLD	100%	100%	-	-	
Surprise Creek	EPM 19166	NW QLD	100%	100%	-	-	
Weatherly Creek North	EPM 19167	NW QLD	100%	100%	-	-	
Anitra Osborne	EPM 19183	NW QLD	100%	100%	-	-	
Pegmont South	EPM 19184	NW QLD	100%	100%	-	-	
COPPER CANYON	MDL 204	NW QLD	100%	100%	-	-	
GREENMOUNT	MDL 205	NW QLD	100%	100%	-	-	
MOUNT NORMA	ML2506	NW QLD	100%	100%	-	-	
SOUTHERN CROSS	ML2510	NW QLD	100%	100%	-	-	
ANSWER	ML 2517	NW QLD	100%	100%	-	-	
WINSTON CHURCHILL	ML 2518	NW QLD	100%	100%	-	-	
VULCAN	ML 2519	NW QLD	100%	100%	-	-	
SALLY	ML 2535	NW QLD	100%	100%	-	-	
DULCE	ML 2537	NW QLD	100%	100%	-	-	
BELFAST	ML 2540	NW QLD	100%	100%	-	-	
BELGIUM	ML 2541	NW QLD	100%	100%	-	-	
JACKLEY	ML 2543	NW QLD	100%	100%	-	-	
DULCE EXTENDED NO 2	ML 2544	NW QLD	100%	100%	-	-	
DANDY	ML 2548	NW QLD	100%	100%	-	-	
TRUMP	ML 2549	NW QLD	100%	100%	-	-	

MOUNT NORMA NO 2	ML 2550	NW QLD	100%	100%	-	-	
MOUNT NORMA NO 3	ML 2551	NW QLD	100%	100%	-	-	
GILDED ROSE	ML 2709	NW QLD	100%	100%	-	-	
BUTTON	ML 2711	NW QLD	100%	100%	-	-	
GILDED ROSE EXTENDED EAST	ML 2713	NW QLD	100%	100%	-	-	
GILDED ROSE EXTD WEST	ML 2718	NW QLD	100%	100%	-	-	
GILT EDGE EXTENDED EAST 1	ML 2719	NW QLD	100%	100%	-	-	
MT FREDA	ML 2741	NW QLD	100%	100%	-	-	
EVENING STAR	ML 2742	NW QLD	100%	100%	-	-	
EVENING STAR NORTH EXT	ML 2750	NW QLD	100%	100%	-	-	
MT FREDA EXTENDED	ML 2752	NW QLD	100%	100%	-	-	
EVENING STAR NORTH	ML 2763	NW QLD	100%	100%	-	-	
NEW DOLLAR	ML 2777	NW QLD	100%	100%	-	-	
HORSESHOE	ML 2778	NW QLD	100%	100%	-	-	
MOUNTAIN MAID	ML 2779	NW QLD	100%	100%	-	-	
TOP CAMP NO 5 (TWO MILE)	ML 2788	NW QLD	100%	100%	-	-	
LITTLE BEAUTY	ML 7498	NW QLD	100%	100%	-	-	
YOUNG AUSTRALIAN 2	ML 7511	NW QLD	100%	100%	-	-	
YOUNG AUSTRALIAN	ML 7512	NW QLD	100%	100%	-	-	
YOUNG AUSTRALIAN 2	ML 90081	NW QLD	100%	100%	-	-	
MT MCCABE	ML 90082	NW QLD	100%	100%	-	-	
STUART	ML 90083	NW QLD	100%	100%	-	-	
YOUNG AUSTRALIAN EXTENDED	ML 90084	NW QLD	100%	100%	-	-	
CHINAMEN	ML 90088	NW QLD	100%	100%	-	-	
AUSTRALIAN	ML 90099	NW QLD	100%	100%	-	-	
NEW SNOW BALL	ML 90103	NW QLD	100%	100%	-	-	
MOSSY'S DREAM	ML 90104	NW QLD	100%	100%	-	-	
GREENMOUNT	ML 90134	NW QLD	100%	100%	-	-	

EVA	ML 90147	NW QLD	100%	100%	-	-	
MOUNT TIMBEROO	ML 90148	NW QLD	100%	100%	-	-	
MT MCNAMARA	ML 90149	NW QLD	100%	100%	-	-	
PHIL'S FIND	ML 90161	NW QLD	100%	100%	-	-	
MT NORMA SURROUND 1	ML 90172	NW QLD	100%	100%	-	-	
MT NORMA SURROUND 2	ML 90173	NW QLD	100%	100%	-	-	
MT NORMA SURROUND 3	ML 90174	NW QLD	100%	100%	-	-	
MT NORMA SURROUND 4	ML 90175	NW QLD	100%	100%	-	-	
MT NORMA SURROUND 5	ML 90176	NW QLD	100%	100%	-	-	
MT DEBBIE	MC 4348	NW QLD	100%	100%	-	-	
MT DEBBIE 2	MC 4349	NW QLD	100%	100%	-	-	
MT DEBBIE NO 1	MC 4350	NW QLD	100%	100%	-	-	

2012 JORC Code

Section 1 – Sampling Techniques and Data

Criteria	Explanation
Drilling Techniques – Black Fort	<ul style="list-style-type: none"> • RC pre-collar to 54m was undertaken using a Schramm WS450 drill rig with 4.5 inch hammer size. Diamond tail was completed using a Boat Longyear GK850 drill rig with both HQ and NQ bit sizes
Sampling Techniques	<ul style="list-style-type: none"> • All RC samples were collected at 1 metre intervals and were riffle split using a riffle splitter mounted on the drill rig. A 3m composite was made using a spear sampler. • All the core was quarter (HQ) and half (NQ) cut using a core saw machine installed in the Company’s site office in Cloncurry. • Both 2m and 1m intervals were sampled depending on the presence of visible copper mineralization. • Sample weight ranges from 2-3.5kg each • Samples were pulverised to produce 30g charge for four acid digest for multi-elements and fire assay for gold
Logging	<ul style="list-style-type: none"> • Drill chips and core were logged onto field sheets and later input into the computer connected with Company server in site office. • Chips were sieved on regular 1m intervals and put into labelled chip trays • Chip trays are stored in the site office in Cloncurry • Drill core was oriented with a Coretell Orishot device. • All chips and core were geologically logged
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • XRF analysis was conducted on all drill samples using an Innovex Delta model handheld XRF set in ‘Soil’ mode • Assays were conducted by ALS Global, Townsville laboratory, using standard procedures and standard laboratory checks, ME-ICP61 and Au-AA25 • Sample preparation is consistent with industry standard practice • The samples sizes are appropriate for the material being sampled
Quality of assay data and	Sampling and assaying quality assurance and

laboratory tests	<p>quality control (QAQC) procedures were implemented by the Company for all the drilling programs undertaken in Cloncurry. They included:</p> <ul style="list-style-type: none"> • Blind certified OREAS standards were inserted 1 in every 25 samples • Blanks and field duplicates were included at a ratio of 1:50 • Field duplicates were obtained by spear sampling the green plastic bag for RC and quarter core diamond drilling • OREAS standards were sourced from Ore Research & Exploration Ltd • A total of 10 standards with various values, 5 duplicates and 5 blanks were used for the Black Fort drill program
Verification of sampling and assaying	<ul style="list-style-type: none"> • Significant mineralisation intersections were verified by Chief Geologist
Location of data points	<ul style="list-style-type: none"> • Drill hole collars were picked up using DGPS with sub-metre resolution and marked by star pickets with pink flag • Downhole surveys were taken every 30m using a digital Camteq Proshot instrument • Co-ordinates are recorded in grid system MGA94, Zone 54
Data spacing and distribution	<ul style="list-style-type: none"> • Drill hole spacing to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) is unknown at this stage
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • Drill holes were designed to intersect the mineralized structure with minimal depth • Drilling orientation was proposed to be approximately perpendicular to the strike of interpreted mineralised zones
Sample security	<ul style="list-style-type: none"> • Sample bags were packed in batches into polyweave bags and then wrapped onto pallet for transport • Samples were transported to laboratory in Townsville by NQX
Audits or reviews	<ul style="list-style-type: none"> • Audit of sampling techniques and data was performed • In-house review of QAQC for laboratory assays was undertaken

Section 2 – Reporting of Exploration Results

Criteria	Explanation
Mineral Tenement and Land Tenure Status – Black Fort	<ul style="list-style-type: none"> EPM17602 “Top Camp-Iron Ridge’ located approximately 40km south-southwest of Cloncurry and is JV with Orion Gold NL (4.2%) and Findex Pty Ltd (15%). The EPM currently consists of 47 sub-blocks and will expire on 20 October 2015.
Exploration done by other parties	<ul style="list-style-type: none"> Cyrus Gold carried out -80# soil sapling over prospect area at a grid pattern of 400m x100m, rock chipping and costeaning plus drilling of 7 RC & diamond holes in the early 1990s One of the costeans returned 52m@ 0.82% Cu, including 10m @2.41% Cu In 2004 Orion Gold (former Goldstar) carried out gravity survey over the area In 2010 QMC drilling 5 RC holes with the best intersection of 17m@ 1.51% Cu
Geology	<ul style="list-style-type: none"> Shear zone controlled copper-gold mineralization in the calcareous and ferruginous siltstone, shales, phyllite, metavolcanics and jaspilite rocks of the Overhang Jaspilite unit of the Mary Kathleen Group
Other substantive exploration data	<ul style="list-style-type: none"> Sporadic copper mineralization in the form of malachite veins, stockworks and disseminations were noticed in the surveyed area plus very strong multiphase deformation

Criteria	Explanation
Mineral Tenement and Land Tenure Status – Greenmount	<ul style="list-style-type: none"> The Greenmount copper deposit is enclosed within a granted mining lease (ML90134) located 36km south southeast of Cloncurry. ML90134 is 100% owned by White Range Mines Pty Ltd, a subsidiary of Queensland Mining Corporation Ltd. ML90134 covers an area of 1,207 hectares. ML90134 expired on 30 June 2014 with a renewal application currently being processed by the Mines Department.
Exploration done by other parties	<ul style="list-style-type: none"> The area has been explored by many companies including Carpentaria

	<p>Exploration, Homestake Australia, Majestic Resources, Matrix Metals and QMC since 1960s in the form of geological mapping, soil geochemistry, RC and diamond drilling.</p>
<p>Geology</p>	<ul style="list-style-type: none"> Structurally and lithologically controlled oxide and transitional copper mineralization hosted in the lower part of the Marimo slate unit. Mineralization occurs as malachite and chalcocite veins, stockwork and breccia in silicified and frequently pottasic altered black slate at or near the contact with underlying Staveley Formation siltstone and sandstone.
<p>Other substantive exploration data</p>	<ul style="list-style-type: none"> The Greenmount deposit was a subject of the 2005 feasibility study. Significant drill intersections include 72m@ 2.39% Cu, 0.92g/t Au and 905ppm Co from 129m in hole GR12RC06 completed by QMC in 2012.