



QUEENSLAND MINING CORPORATION LIMITED

ACN 109 962 469

OFFER UNDER SECTION 708AA(2) OF THE CORPORATIONS ACT

**Non-renounceable Rights Issue to all
eligible shareholders**

**1 New Share for every 1 Share held at a price of \$0.006 per New Share, to raise
approximately \$6.78 million**

The Rights Issue closes at 5:00 pm (AEDT) on 23 January 2015

The offer is not underwritten

This is an important document

This document is important and requires your immediate attention. This document is not a prospectus. It does not contain all the information that an investor would find in a prospectus or which an investor would expect to make an informed decision as to whether or not to accept this Offer. If you do not understand its content or are in doubt as to the course of action you should follow, you should consult your stockbroker or professional advisor without delay.

No person is authorised to give any information or to make any representation in connection with this Offer which is not contained in this document. Any information or representation not so contained may not be relied upon as having been authorised by the Company in connection with this Offer.

QMC RIGHTS ISSUE

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Dear Shareholders,

Your board has resolved to make an offer of New Shares to Eligible Shareholders by way of a non-renounceable Rights Issue on a 1 for 1 basis issuing at \$0.006 per share. The issue will aim to raise up to \$6.78 million, before expenses.

In the recent shareholders update, we have outlined the Company's strategy moving forward. The purpose of this Rights Issue is to support the Company's exploration program in 2015 and to advance the optimisation of the 2005 White Range Project Feasibility Study.

You might have noticed that the Company expenditure in FY2014 has reduced significantly. The Company's strategy is to minimise the administration overheads and direct most of our resources on the exploration activities which will potentially deliver substantial returns to our shareholders.

In 2014, we completed drilling of four target areas and intersected mineralization in all of them. Based on the Company's exploration strategy, we have established the drilling program for 2015. In the meanwhile, we will keep working on optimising the 2005 White Range Project Feasibility Study in order to underpin our position in the potential joint venture cooperation. We believe completion of these tasks will enhance the value to the Company and it will eventually reflect in our share price.

We are expecting the major shareholders to support this offer. Your continuous support will definitely make this offer a great success. It will provide the Company with a solid financial backing to move forward in 2015 under the ongoing challenging environment for junior exploration companies.

Based on the strong potential value of our assets which is far greater than the current market capitalisation of the Company, I strongly recommend all shareholders to take up their entitlement in this offer.

On behalf of the Board, we look forward to keep you informed of our progress and thank you again for your continued support of Queensland Mining Corporation Limited.

Yours Sincerely,
Dr Lakshman Jayaweera



Chairman

DIRECTORS

Dr. Lakshman Jayaweera
Non-executive Chairman

Mr. Eddy Wu
Director and CEO

Mr. Jun Qiu
Non-executive Director

Mrs. Joyce Wang
Alternate Director to Mr. Jun Qiu

COMPANY SECRETARY

Mr. Pipvide Tang

REGISTERED OFFICE

Suite 101A, Level 1,
1 Alfred Street, Sydney, NSW 2000.
Telephone: 02 8964 6411
Facsimile: 02 8964 6865
Email: admin@qmcl.com.au

REGIONAL OFFICE

100 Railway Street
Cloncurry, QLD, 4824
Telephone: 07 4742 2406
Facsimile: 07 4742 2423

SHARE REGISTRY

Boardroom Pty Limited ACN 003 209 836
Level 7, 207 Kent Street
Sydney, NSW, 2000
Telephone: 1300 737 760

AUDITORS

BDO East Coast Partnership
Level 10, 1 Margaret Street
Sydney, NSW, 2000

LEGAL ADVISOR

Kemp Strang,
Level 17, 175 Pitt Sydney,
Sydney, NSW 2001.

ASX Code QMN

3.1 Timetable for the Offer

The timetable for the issue is as follows:

Announcement of Rights issue and lodgement of Appendix 3B and Section 708AA Cleansing Notice with ASX	8 December 2014
Notice to security holders containing the information required by Appendix 3B and details of the timetable for the issue sent to shareholders	9 December 2014
"Ex" Date from which shares commence trading without entitlement to participate in the Right Issue	10 December 2014
Record Date (i.e. date for determining Eligible Shareholders)	12 December 2014
Dispatch of Offer Document and personalised Entitlement and Acceptance Form	17 December 2014
Last day for acceptance (Closing Date)	23 January 2015
Securities quoted on a deferred settlement basis	27 January 2015
ASX notified of under subscriptions	28 January 2015
Issue Date (deferred settlement trading ends)	29 January 2015
Normal trading commences	30 January 2015
Holding Statements sent to shareholders	30 January 2015

Notes: 1. Dates are indicative only and Queensland Mining Corporation Limited (QMC) retains the right to vary these dates without advance notice. Investors are encouraged to submit their Entitlement and Acceptance Forms as soon as possible.

2. Shareholders who trade their New Shares on a deferred settlement basis are responsible for confirming their holding before doing so. The Company and the Share Registry disclaim all liability in respect of Eligible Shareholders who sell New Shares before receiving a holding statement.

3.2 Offer Statistics

Number of New Shares to be issued and offered to Shareholders	1,129,238,396
Issue Price	\$0.006 per New Share

3.3 How to accept entitlements to New Shares

Entitlements to New Shares can be accepted in full or in part by completing and returning the Entitlement and Acceptance Form which accompanies this Offer Document in accordance with the instruction set out below and on the Entitlement and Acceptance Form.

If you wish to obtain a free copy of this Offer Document, please contact the Share Registry on 1300 737 760.

3.4 Important notice

This document is dated 9 December 2014.

This Offer is being made without a Prospectus in accordance with Section 708AA of the Corporations Act, as modified by Class Order (CO 08/35). This Offer Document is not a Prospectus or any other form of disclosure document and has not been lodged with ASIC. Accordingly, this Offer Document does not contain all of the information which a prospective investor may require to make a decision as to whether to subscribe for New Shares. Further, this Offer Document does not contain all of the information which would otherwise be required to be disclosed in a Prospectus or other form of disclosure document.

The document is important and requires your immediate attention. It should be read in its entirety. If you do not understand its content or are in doubt as to the course you should follow, you should consult your stockbroker or professional advisor without delay.

This offer opens on 17 December 2014 and closes at 5:00pm AEDT on 23 January 2015.

Valid acceptances must be received before the closing date.

Please read the instructions in this document and on the accompanying Entitlement and Acceptance Form regarding the acceptance of your Entitlement.

The Company has not made investigation as to the regulatory requirements that may prevail in the countries, outside Australia, New Zealand and Hong Kong, in which the Company's Shareholders may reside. The distribution of this Offer Document in Jurisdictions outside Australia, New Zealand and Hong Kong may be restricted by law and persons who come into possession of this Offer Document should seek advice on and observe those restrictions. Any failure to comply with such restrictions might constitute a violation of applicable securities laws.

It is the responsibility of overseas Applicants to ensure compliance with all laws of any country relevant to their Acceptance. A number of terms and abbreviations used in this Offer Document have defined meanings, which are explained in the Glossary. Money as expressed in this Offer Document is in Australian dollars or else as indicated.

No person named in this Offer Document, nor any other person, guarantees the performance of QMC, the repayment of capital or the payment of a return on the New Shares.

Information about the Company is publicly available and can be obtained from ASIC, ASX and other sources. Any such publicly available information is not incorporated into this Offer Document and does not form part of the Offer. This Offer Document is intended to be read in conjunction with publicly available information in relation to the Company that has been notified to ASIC and ASX. Investors should have regard to that information prior to making a decision to subscribe for New Shares pursuant to the Offer.

The information contained in this Offer Document is not and should not be considered to be financial product advice. The information is general only and has not been prepared without any actual or implied knowledge or consideration of the investment objectives, financial situation, taxation position or other particular needs or requirements of you or any other person.

The information contained in this Offer Document is not a recommendation by the Company (or its officers, employees, agents or advisers) to any person that they should subscribe for New Shares pursuant to the Offer.

To the maximum extent permitted by law, no representation, warranty or undertaking, express or implied, is made, and to the maximum extent permitted by law, no responsibility or liability is assumed by the Company or its related entities or by an act of its officers, employees, agents or consultants or any other person as to the adequacy, accuracy, completeness or reasonableness of this Offer Document. To the maximum extent permitted by law, no responsibility is accepted for errors or omissions from this Offer Document.

This information set out in this section is not intended to be comprehensive and should be read in conjunction with the full text of this Offer Document.

3.5 The Offer

This Offer Document is for the non-renounceable Rights Issue of 1,129,238,396 New Shares at an issue price of \$0.006 each, on the basis of one (1) New Share for every one (1) Share held by shareholders on the record date.

Shareholdings are to be determined as at the Record Date of 12 December 2014.

The Company has applied for listing of the New Shares on ASX.

3.6 Minimum Subscription

There is no minimum subscription to the Issue.

3.7 New Share terms

Each New Share will rank equally with all existing Shares then on issue and will have the same rights as attached to existing shares.

3.8 Acceptance of Entitlement to New Shares

The number of New Shares to which each Eligible Shareholder is entitled is shown on the Entitlement and Acceptance Form accompanying this Offer Document. This Offer Document is for the information of Shareholders who are entitled and may wish to apply for the New Shares. Fractional entitlements will be rounded down to the nearest whole number.

Entitlements to New Shares can be accepted in full or in part by completing and returning the Entitlement and Acceptance Form which accompanies this Offer Document in accordance with the instructions set out below and on the Entitlement and Acceptance Form.

3.9 Underwriting

The offer is not underwritten.

4.1 Offer to Shareholders

The Directors of QMC have approved a non-renounceable Rights Issue of 1,129,238,396 New Shares at \$0.006 per New Share to raise approximately \$6,775,430 (less expenses associated with the Issue).

Eligible Shareholders are entitled to subscribe for one (1) New Share for every one (1) Share held. Only those Shareholders shown on the share register at 7:00pm (AEDT) on the Record Date will be entitled to participate in the Issue.

When fractions arise in the calculation of Entitlements, they will be rounded down to the nearest whole number of New Shares.

QMC has applied to ASX for official quotation of the New Shares on the ASX. Official quotation of the New Shares is expected to occur on or about 30 January 2015. ASX Participating Organisations (as defined in the ASX Business Rules) cannot deal in the New Shares either as principal or agent until official quotation is granted.

4.2 Important Dates

Record Date for the Offer	12 December 2014
Offer document sent to shareholders	17 December 2014
Opening Date of the Offer	17 December 2014
Closing Date of the Offer	23 January 2015
Expecting date of sending out New Share holding statements	30 January 2015

4.3 Eligible Shareholders

Eligible Shareholders are those holders of Shares who:

- are registered as a holder of Shares as at 7.00 pm (AEDT) on the Record Date;
- have a registered address in Australia, New Zealand, or Hong Kong;
- are not in the United States or acting for or on behalf of United States Persons; and
- are eligible under all applicable securities laws to receive an offer under the Entitlement Offer.

The Entitlements of Eligible Shareholders will disregard any existing options which are held unless such options are exercised prior to 7.00 pm (AEDT) on the Record Date.

Shareholders who are not Eligible Shareholders are Ineligible Shareholders.

The Company is not extending the Entitlement Offer to Ineligible Shareholders having regard to:

- (a) the cost of complying with legal and regulatory requirements outside Australia, New Zealand and Hong Kong;
- (b) the number of Ineligible Shareholders; and
- (c) the number and value of New Shares which could be offered to Ineligible Shareholders.

Where this Offer Document has been dispatched to Ineligible Shareholders, it is provided for information purposes only.

In limited circumstances the Company may elect to treat as Eligible Shareholders certain Shareholders who would otherwise be Ineligible Shareholders, provided the Company is satisfied that it is not precluded from lawfully issuing New Shares to such Shareholders either unconditionally or after compliance with conditions which the Board in its sole discretion regards as acceptable and not unduly onerous.

The Company also reserves its right to reduce the number of New Shares issued to Eligible Shareholders or persons claiming to be Eligible Shareholders, if their claims prove to be overstated or they or their nominees fail to provide information to substantiate their claims.

4.4 What to do with Your Entitlement

Sections 4.6 to 4.14 inclusive DO NOT apply to Shareholders with registered addresses outside Australia, New Zealand and Hong Kong. Such Shareholders should refer to Section 4.3 of this Offer Document.

The number of New Shares to which you are entitled under this Offer Document (Your Entitlement) is shown on the accompanying Entitlement and Acceptance Form. Eligible Shareholders may accept for a lesser number of New Shares should you wish to take up only part of Your Entitlement.

4.5 No rights trading

The rights to New Shares under the Issue are non-renounceable. Accordingly, there will be no trading of rights on ASX and you may not dispose of your rights to subscribe for New Shares under the Issue to any other party. If you do not take up Your Entitlement to New Shares under the Issue by the Closing Date, the Offer to you will lapse.

4.6 Placement of Shortfall Shares

In accordance with Exception 3 to Listing Rule 7.2, the Company may place any Shortfall of New Shares (Shortfall Shares) at its discretion for up to 3 months after the Closing Date. The issue price of any Shortfall Shares will be \$0.006, being the price and terms at which the Entitlement has been offered to Eligible Shareholders pursuant to this Offer Document.

4.7 If Your Entitlement is not taken up

If you do nothing, any part of Your Entitlement that is not taken up by 23 January 2015 will lapse and the New Shares that would otherwise have been issued pursuant to the taking up of Your Entitlement will form part of the shortfall.

4.8 How to accept the Offer

(a) Pay by cheque, money order or bank draft

If you wish to take up all or part of Your Entitlement and pay for the New Shares by cheque, money order or bank draft, you should complete the personalised Entitlement and Acceptance Form accompanying this Offer Document (for all of the New Shares offered to you or such lesser number you wish to accept) in accordance with the instruction set out on the form.

Completed forms should be forwarded, together with your cheque, money order or bank draft for the amount due in respect of the number of New Shares you have applied for (being that number multiplied by the Issue Price), so that it is received by the Share Registry at the following address by no later than 5:00pm (AEDT) on 23 January 2015.

By mail or by hand:
Queensland Mining Corporation Limited
c/- Boardroom Pty Limited,
Level 7,
207 Kent Street,
Sydney, NSW 2000.

Cheques, money orders and bank draft will only be accepted in Australian currency and must be drawn on an Australian financial institution, made payable to "Queensland Mining Corporation Ltd" and crossed "not negotiable".

(b) Pay by BPay®

Alternatively, you may wish to make payment through the BPay® facility according to the instructions set out on the Entitlement and Acceptance Form. Payment must be received 5:00pm (AEDT) on 23 January 2015. Shareholders should be aware of the time required to process payments by BPay® in choosing the appropriate application and payment method. If you make your payment by BPay® you do not need to lodge the Entitlement and Acceptance Form.

No brokerage or stamp duty is payable by applicants in respect of their application for New Shares under this Offer Document. The amount payable on acceptance will not vary during the period of the Offer and no further amount is payable on allotment. Acceptance Monies will be held in trust in a subscription account until allotment of New Shares. Any interest earned on the Acceptance Monies will be retained by the Company irrespective of whether allotment takes place.

Any Application Monies received for more than your final allocation of New Shares will be refunded. No interest will be paid on any Application Monies received or refunded.

4.9 Allotment and allocation policy

QMC will proceed to issue and allot New Shares as soon as possible after the Closing Date. Successful Applicants will be notified in writing of the number of New Shares allocated to them by 30 January 2015.

The Directors reserve their right to reject any Entitlement and Acceptance Form which is not complete in any particular or the processing of which could result in a contravention of any relevant law including, without limitation, any contravention of the takeover provisions set forth in the Corporations Act.

It is the responsibility of Applicants to confirm the number of New Shares allocated to them prior to trading New Shares. Applicants who sell New Shares before they receive notice of the number of securities allocated to them do so at their own risk. No New Shares will be allocated or issued on the basis of this Offer Document later than 3 months after the date of issue of the Offer Document.

4.10 ASX listing

QMC has applied for the listing and quotation of the New Shares on ASX. If granted, quotation and trading of the New Shares will commence as soon as practicable after allotment.

4.11 Investment risks

Investor should carefully read Risk Factors outlined in Section 6. An investment of this kind involves a number of risks, a number of which are specific to QMC and the industry in which it operates.

4.12 CHESS

QMC will apply to the ASX Settlement and Transfer Corporation Pty Ltd (ASTC) to have the New Shares issued under this Offer Document participate in the Securities clearing House Electronic Subregister System known as CHESS. After allotment of New Shares, those who are issuer sponsored holders will receive an issuer sponsored statement and those who are CHESS holders will receive an allotment advice.

The CHESS statements, which are similar in style to bank account statements, will set out the number of New Shares allotted to each successful applicant pursuant to this Offer Document. The Statement will also advise holders of their holder identification number. Further statements will be provided to holders which reflect any changes in their holding in QMC during a particular month.

4.13 Minimum subscription

There is no minimum subscription to the issue.

4.14 Electronic Offer Document

An electronic version of this Offer Document is available on the internet at ASX website.

The Entitlement and Acceptance Form may only be distributed accompanying a complete and unaltered copy of the Offer Document. The Company will not accept a completed Entitlement and Acceptance Form if it has reason to believe that the applicant has not received a complete paper copy or electronic copy of the Offer Document or it has been altered or tampered with in any way.

5.1 Principal effects

Assuming the Rights Issue is fully subscribed the principal effects are as follows:

- a) The Company will issue 1,129,238,396 New Shares and the total number of Shares on issue will increase to 2,258,476,792. The New Shares will constitute approximately 50% of the expanded issued share capital of the Company.
- b) The Rights Issue will also increase the Company's cash reserves by \$6,775,430 assuming all rights are taken up and all shortfall placed (before expenses of the Rights Issue).

5.2 Capital structure on completion of the Right Issue

The pro-forma capital structure of the Company following the Rights Issue is set out below:

Shares	Number
Existing shares	1,129,238,396
Maximum number of New Shares to be issued pursuant to this offer	1,129,238,396
Total shares on issue after Rights Issue	2,258,476,792

5.3 Purpose of the Offer and Use of Funds

The purpose of the Offer is to raise \$6,775,430.

If the Offer is fully subscribed it will raise approximately \$6,775,430. These funds will be applied in the following manner:

- a) Carry out the Company's exploration program in 2015.
- b) Advance the optimisation of the 2005 White Range Project Feasibility Study.
- c) Payment of fees and other costs of the Offer.
- d) For general working capital.

5.4 Effect of the Offer

The principal effect of the Offer will be increasing the cash reserves of the Company by \$6,775,430 immediately after completion of the Offer.

5.5 Pro-forma consolidated Statement of Financial Position

Set out below is an unaudited pro-forma consolidated statement of financial position of the Company after the completion of the Rights Issue prepared on the basis of the adjusted accounts of the Company as at 30 June 2014, and adjusted for the following transaction and assumption:

- A non-renounceable rights issue of approximately 1,129,238,396 new QMC shares at an issue price of \$0.006 each, on the basis of one (1) New Share for every one (1) Share held, raising \$6,775,430.

The balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below.

The historical and pro-forma financial information is presented in an abbreviated form, so far as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

Queensland Mining Corporation Limited
Consolidated Statement of Financial Position

	Audited 30/6/2014 \$	Unaudited Pro-forma \$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	1,864,870	8,640,300
Trade and other receivables	23,367	23,367
TOTAL CURRENT ASSETS	<u>1,888,237</u>	<u>8,663,667</u>
NON CURRENT ASSETS		
Exploration and evaluation expenditure	11,075,557	11,075,557
Mining licences	14,533,967	14,533,967
Property, plant and equipment	897,770	897,770
TOTAL NON – CURRENT ASSETS	<u>26,507,294</u>	<u>26,507,294</u>
TOTAL ASSETS	<u>28,395,531</u>	<u>35,170,961</u>
CURRENT LIABILITIES		
Trade and other payables	(229,504)	(229,504)
TOTAL CURRENT LIABILITIES	<u>(229,504)</u>	<u>(229,504)</u>
TOTAL LIABILITIES	<u>(229,504)</u>	<u>(229,504)</u>
NET ASSETS	<u>28,166,027</u>	<u>34,941,457</u>
EQUITY		
Issued capital	77,102,185	83,877,615
Share option reserve	2,995,191	2,995,191
Accumulated losses	(51,931,349)	(51,931,349)
TOTAL EQUITY	<u>28,166,027</u>	<u>34,941,457</u>

5.6 Effect on Rights Issue on control of the Company

The Offer is an entitlement offer and therefore if all Eligible shareholders take up their full entitlement, there will be minimal impact on the percentage holding of Shares of each Shareholder. Ineligible Shareholders will have their interests slightly diluted as they are not able to participate in the Offer. It is because the Rights Issue is non-renounceable and it cannot be known with certainty which shareholders will take up their rights entitlements, that the effect on the control of QMC cannot be determined at this time.

Relevant matters which may determine any such effect are:

- (i) The percentage of issued share capital held by the largest shareholders in the Company.
- (ii) The number and identity of large shareholders who take up their rights entitlements.
- (iii) The equity holdings associated with directors of the Company and whether the relevant rights entitlements are taken up.

The following directors have declared equity holdings in the Company on either a direct or indirect basis:

Lakshman Jayaweera	32,485,879
Jun Qiu	175,168,000
Eddy Wu	11,276,546

- (iv) The fact that New Shares issued pursuant to this Offer will comprise 50% of the issue share capital of the Company after completion of the rights issue.
- (v) There are presently 2,343 shareholders in the Company and the largest five shareholders, and the percentage of share capital owned by each, is as follows:

Name	Number of Shares	%
Perfect Nation Global Limited (PNG)	281,443,760	24.92
Great Tang Brothers Resource Investment Pty Ltd (GTB)	175,168,000	15.51
Bradleys Polaris Pty Ltd	77,595,425	6.87
THTF Australia Mining Pty Limited	44,571,474	3.95
Mr Guo Tang	29,802,720	2.64

Depending on which shareholders take up their rights entitlements, and the placement of the shortfall the ability of certain shareholders to control the Company through their voting rights as shareholders may change.

There are numerous and widespread risks associated with investing in any form of business and with investing in the stock market generally. There are also a range of specific risks associated with the Company's business.

This section identifies the areas the Directors regard as the major risks associated with an investment in the Company. Shareholders should be aware that an investment in the Company involves many risks that may be higher than the risks associated with an investment in other companies.

The risks identified by the Directors are not exhaustive. Accordingly, no assurances or guarantees of future performance, profitability, distributions, or return of capital are given by the Company. The risks outlined below and other risks may affect the future performance of the Company materially and Shareholders should carefully consider these factors in light of their personal circumstances (including financial and taxation issues) and seek professional advice from an accountant, stockbroker, lawyer or other professional adviser before deciding whether to invest in the Company.

6.1 Exploration and production risk

The tenements of the Company are at various stages of exploration, and Shareholders should understand that mineral exploration and development are high-risk undertakings which can be hampered by bad weather, force majeure circumstances, cost over-runs, inconsistent grades and other unforeseen events. To prosper, it relies on the successful exploration and/or acquisition of ore reserves, design and construction of efficient mining/processing facilities, competent operation and managerial performance and proficient marketing of the product.

6.2 Operating risks

The operations of the Company may be affected by various factors including;

- failure to locate or identify economic mineral deposits
- failure to achieve predicted commercial grades in exploration and mining;
- operational and technical difficulties encountered in mining;
- competition for exploration rigs & equipment;
- difficulties in commissioning and operating plant and equipment;
- mechanical failure or plant breakdown;
- unanticipated metallurgical problems which may affect extraction costs;
- adverse weather conditions;
- industrial and environmental accidents;
- industrial disputes;
- difficulties with access to water, electricity and roads;
- seasonal climatic conditions; and
- unexpected shortages or increases in the costs of consumables, labour, spare parts, plant and equipment, fuel, electricity and acid.

No assurances can be given that QMC will achieve commercial viability through the successful exploration and/or mining of its tenement interests.

6.3 Resource & project estimates

Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and mining plans which may, in turn, adversely affect the Company's operations.

There is a risk that:

- A feasibility study will not demonstrate a case for an Solvent Extraction, Electro-Winning (SX-EW) Plant at the White Range Project, or other alternative operations such as tank leaching or floatation;
- Metallurgical testing program may show that the ore is not of sufficient quality to sustain SX-EW operations;
- The Company will not have an economic ore body;
- The resource drilling will not identify additional JORC resources;
- The Company will not be able to raise finance (equity and/or debt) to construct the SX-EW Plant or other alternative operation at the White Range Project;
- The Mt Norma Mine plant may not be recommissioned and/or not be permitted to enable production to recommence; and
- The Company may not have an economic resource to develop a gold operation at Mt Freda and/or Gilded Rose.

6.4 Commodity price volatility and exchange rate risks

If QMC achieves success leading to mineral production, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of QMC. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors. Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

6.5 Environmental risks

The operations and proposed activities of the Company are subject to State and Federal laws and regulation concerning the environment. Exploration and development of any resources will be dependent on the projects meeting environmental guidelines. The grants of development permits are dependent on approval of environmental programs and other criteria, including the payment of bonds/financial assurance.

The mining and operation of an SX-EW Plant at White Range may require the Company undertaking an Environmental Impact Study (EIS). The extent and timing of an EIS is unknown at this stage.

A number of QMC's tenements (including Mining Leases) are located within endangered regional ecosystems (ERE) requiring compliance with the Environmental Protection Act 1994. This may impose regulatory restrictions on the conduct of exploration activities and mining in ERE areas.

As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws. Nevertheless, there are certain risks inherent in the Company's activities which could lead to extensive liability of the Company, such as accidental spills, leakages or other unforeseen circumstances.

6.6 Title risks

Interests in tenements in Australia are governed by the respective State legislation and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, QMC could lose title to or its interest in tenements (or sub blocks) if licence conditions are not met or if insufficient funds are available to meet expenditure commitments. In addition, Queensland legislation requires the holders of a Queensland Exploration Tenement to periodically reduce the area of an Exploration Tenement, typically a 50% reduction on each renewal (subject to the exercise of any discretion).

6.7 Native title and cultural heritage

The Company's activities are subject to native title rights of indigenous Australians which may affect its operations. Where native title rights exist, these may affect the Company's ability to gain access to prospective exploration areas and may generally affect the Company's planned exploration and development and future mining activities.

In addition, legislation provides for the protection of Aboriginal cultural heritage and sites that are significant to the customs and traditions of Aboriginal Australians. These sites would need to be avoided during field exploration, and it is possible that some areas containing an economic resource may also contain sacred sites in which case they may remain unexploited. Moreover, any harm to Aboriginal cultural heritage caused by QMC may result in the Company incurring significant penalties.

6.8 European cultural heritage

The Kuridala tenement (ML 90081) contains an old mining settlement which is protected by State legislation as containing items of European cultural heritage. Before the tenement can be mined, the Company will need to conduct a heritage and archaeological assessment of the area. The Company may need to ensure that certain areas of the tenement are protected. This may restrict or preclude the Company from fully exploiting this tenement.

6.9 Land access and compensation

The Mineral Resources Act requires that prior to grant or renewal the holder of the Queensland Applications for Mining Tenements and the Queensland Mining Tenements must enter into a land compensation agreement with each background land owner. Whilst the Company considers that it has good relations with landowners, any failure to obtain a compensation agreement, or any disputes with a landowner would adversely affect the Company.

6.10 Additional identified risks

Set out below are additional specific risks that may adversely affect the Company:

- a) The Mt Norma processing plant is currently in care and maintenance. The Company is currently assessing the feasibility of recommissioning the processing plant but it may not be economically viable to do so.
- b) The processing plant at Mt Norma is not situated on QMC's Mining Lease. The Company has applied for mining leases over the relevant area, but a mining lease has not yet been granted and there is a risk that a mining lease may not be granted. Those applications are in the name of the previous owner Cudoco Limited and will need to be assigned to the Company when granted.
- c) There is a fissure within the Mt Norma Mine, which may make the hillside unstable and a health and safety risk. As a consequence, the site has been fenced to restrict access.
- d) There are some issues of non-compliance in relation to the Environmental Authorities for Mt Norma & Young Australian/East Drift. The Company is presently in discussions with the Department of Natural Resources and Mines over these issues, but do not consider these issues material.

6.12 General investment risks

There is a risk that the price of Shares and returns to Shareholders may be affected by changes in local and world economic conditions; interest rates; levels of tax, taxation law and accounting practice; government legislation or intervention; inflation or inflationary expectations; and natural disasters, social upheaval or war in Australia or overseas, as well as other factors beyond the control of the Company.

6.13 Share market conditions

The price of the Shares when quoted on the ASX will be influenced by international and domestic factors affecting conditions in equity, financial and commodity markets. These factors may affect the general level of prices for listed securities of mining and exploration companies quoted on the ASX, including the price of QMC's Shares.

Acceptance Monies	The Issue Price multiplied by the number of New Shares accepted
Applicant	A person who submits an Entitlement and Acceptance form
ASIC	Australian Securities and Investment Commission
ASX	ASX Limited ABN 98 008 624 691
Board or Directors	The board of directors of Queensland Mining Corporation Limited
Closing Date	The date by which valid acceptances must be received by the Share Registry being 23 January 2015 or such other date determined by the Board
Company or QMC	Queensland Mining Corporation Limited ACN 109 962 469
Corporations Act	The Corporations Act 2001 (Cth)
Eligible Shareholder	A Shareholder as at 7:00pm (AEDT) on the Record Date and who is not an Ineligible Shareholder.
Entitlements	The entitlement to accept New Shares under this Offer Document
Entitlement and Acceptance Form	An entitlement or acceptance form in the form attached to this Offer Document
AEDT	Australian Eastern Daylight Time
Ineligible Shareholder	A Shareholder with an address in the register of members of the Company, outside Australia, New Zealand or Hong Kong, unless the Company is satisfied that it is not precluded from lawfully issuing New Shares to that Shareholder either unconditionally or after compliance with conditions which the Board, in its sole discretion, regards as acceptable and not unduly onerous.
Issue Price	\$0.006 for each New Share for which application is made
Listing Rules	The listing rules of the ASX as amended or waived by the ASX from time to time.
New Shares	The Shares issued under this Entitlement Offer.
Offer	The offer to subscribe for New Shares as provided for under this Offer Document
Offer Document	This Offer Document dated 9 December 2014 and any electronic copy of this Offer Document
Record Date	12 December 2014
Register	The register of members of the Company
Shareholders	The holders of Shares from time to time
Share Registry	Boardroom Pty Limited ACN 003 209 836
Shares	Fully paid issued ordinary shares in the capital of QMC.
Shortfall	Any New Shares not applied for under the Offer by the Closing Date.
\$	Australian dollars.



QUEENSLAND MINING

Queensland Mining Corporation Limited
ABN 61 109 962 469

BoardRoom

Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001

Tel: 1300 737 760 (within Aust)
Tel: + 61 2 9290 9600 (outside Aust)
Fax: + 61 2 9279 0664

www.boardroomlimited.com.au
enquiries@boardroomlimited.com.au

RIGHTS ISSUE ENTITLEMENT AND ACCEPTANCE FORM

Entitlement No.

Subregister

SRN/HIN.

Number of Shares held at 5pm
on 12 December 2014

Offer Closes: 5pm AEST 23 January 2015

NON-RENOUCEABLE ISSUE OF UP TO 1,129,238,396 NEW SHARES AT AN ISSUE PRICE OF \$0.006 EACH ON THE BASIS OF 1 NEW SHARE FOR EVERY ORDINARY SHARE HELD, PAYABLE IN FULL UPON ACCEPTANCE OF THIS OFFER.

A Rights Acceptance

If you wish to accept your **FULL ENTITLEMENT** please complete and return this form **WITH YOUR PAYMENT FOR THE AMOUNT SHOWN BELOW**. The return of this form by the close date with payment will constitute acceptance of the Offer. Your signature is only required when an alteration to your address is indicated by you over the page.

Entitlement to New Shares on the basis of One New Share for every Ordinary Share held	Price Per Share	Amount Payable for Full Acceptance, at \$0.006 per New Share
	\$0.006 per Share =	

If you wish to accept **PART OF YOUR ENTITLEMENT ONLY** please complete this form showing in the box below the **NUMBER OF NEW SHARES BEING ACCEPTED** and the appropriate amount payable.

Number of New Shares accepted	Price Per Share	Amount Enclosed
	\$0.006 per Share =	\$

B Payment

Payment may only be made by BPAY or cheque. Cash will not be accepted via the mail or at the Queensland Mining Corporation Limited Share Registry.

Payments cannot be made at any bank.

Payment Option 1 - BPAY



Biller Code:

Ref:

Telephone & Internet Banking - BPAY®

Contact your bank, credit union or building society to make this payment from your cheque or savings account.

More info: www.bpay.com.au

© Registered to BPAY Ltd ABN 69 079 137 518

- To pay via BPAY please contact your participating financial institution
- If paying by BPAY you do not need to return the Application Form**
- If paying by BPAY the amount of your payment received in the account divided by the issue price will be deemed to be the total number of shares you are applying for.

Payment Option 2 – Cheque (Record cheque details below)

DRAWER	CHEQUE NO.	BSB NO.	ACCOUNT NO.	AMOUNT \$AUD
				\$

- Only cheques or bank drafts in Australian dollars and drawn on a bank or financial institution in Australia will be accepted.
- Your cheque or bank draft must be made payable to **"Queensland Mining Corporation Limited"** and crossed "Not Negotiable".
- Please ensure that you submit the correct amount. Incorrect payments may result in your application being rejected.

THIS FORM CONTINUES OVERLEAF

C Contact Details

CONTACT NAME	TELEPHONE WORK	TELEPHONE HOME	EMAIL ADDRESS
	()	()	

By submitting this Application Form or by using the BPAY facility to accept the Offer, I/We represent and warrant that I/we have read and understood the Offer Document to which this Application Form relates and declare that this Application is completed and lodged according to the Offer Document and the instructions on the reverse of the Application form and declare that all details and statements made by me/us are complete and accurate. I/We agree to be bound by the constitution of Queensland Mining Corporation Limited and agree to the terms and conditions of the Offer under this Offer Document. I/We represent and warrant that I/we have not relied on any other information provided by the Company other as set out in this Offer Document when making my/our decision to invest.

LODGEMENT INSTRUCTIONS TO APPLICANTS

Please read these instructions carefully

ACCEPTANCE OF YOUR ENTITLEMENT IN FULL OR PART

Multiply the number of New shares for which you are accepting by \$0.006 then fill in the acceptance details, where necessary, in the space provided on the front of this form. Complete your cheque details on the front of this form and send your cheque/draft and completed form to:

Boardroom Pty Limited
GPO Box 3993
SYDNEY NSW 2001

Telephone No. 02 9290 9600
Facsimile No. 02 9279 0664

If you do not deal with your entitlement it will lapse at 5.00 pm AEST on 23 January 2015.

PAYMENT

Cheque or Draft

All cheques or drafts (expressed in Australian currency) are to be made payable to "Queensland Mining Corporation Limited" and crossed "Not Negotiable".

BPAY

If you make payment using BPAY you must contact your Australian bank, credit union or building society to make this payment from your cheque or savings account. For more information: www.bpay.com.au. Refer to the front of this form for the Biller Code and Customer Reference Number. Payments must be received by BPAY before 5.00 pm AEST on 23 January 2015.

PAYMENT - OVERSEAS RESIDENTS

Overseas shareholders who are permitted to apply for shares must obtain a draft in Australian currency payable on a bank in Australia, or where the shareholder has an account with a bank in Australia, by a cheque drawn on that bank within Australia.

The Australian currency draft should be attached to your completed form and the document mailed to:

Boardroom Pty Limited
GPO Box 3993
SYDNEY NSW 2001

OVERSEAS SHAREHOLDERS ARE ADVISED TO ENSURE THEIR DOCUMENTS ARE POSTED TO AUSTRALIA BY AIRMAIL.

Personal cheques drawn on overseas banks in Australian or any foreign currency will not be accepted. These will be returned and the acceptance deemed to be invalid.

INTERPRETATION

Terms used in this Entitlement and Acceptance Form have the same meaning as defined in the Offer Document.

CHANGES OF ADDRESS SUPPORTED BY YOUR SIGNATURE(S)

If your address is not exactly as shown, please provide details below. This is only relevant for Issuer Sponsored registered holdings. CHESS holders must notify your sponsoring broker for amendments to holdings on the CHESS Subregister.

CHANGE OF ADDRESS DETAILS – ISSUER SPONSORED ONLY		
SIGN HERE FOR ADDRESS AMENDMENTS:		

Shareholder 1 (Individual) /
Sole Director & Sole Company
Secretary

Joint Shareholder 2 (Individual) /
Director

Joint Shareholder 3 (Individual) /
Director/Company Secretary
(Delete one)

Privacy Statement:

Boardroom Pty Limited advises that Chapter 2C of the Corporations Act 2001 (Cth) requires information about you as a shareholder (including your name, address and details of the shares you hold) to be included in the public register of the entity in which you hold shares. Information is collected to administer your share holding and if some or all of the information is not collected then it might not be possible to administer your share holding. Your personal information may be disclosed to the entity in which you hold shares. You can obtain access to your personal information by contacting us at the address or telephone number shown on the Application Form.

Our privacy policy is available on our website (<http://www.boardroomlimited.com.au/privacy.html>).