



Queensland Mining Corporation Limited

ABN: 61 109 962 469

ASX Code: QMN

Phone: +61(2) 8964 6411

Fax: +61(2) 8964 6865

Web: www.qmcl.com.au

Address: Suite 101A, Level 1, 1 Alfred Street, Sydney, NSW 2000

9 December 2014

Dear Shareholder,

Queensland Mining Corporation Limited Non-renounceable Rights Issue Offer – Notice to Ineligible Shareholders

On 8 December 2014, Queensland Mining Corporation Limited (QMC) announced a pro rata non-renounceable rights issue offer of new QMC ordinary shares (New Shares) at an issue price of \$0.006 per New Share to raise up to approximately \$6.78 million (the Offer).

Eligible shareholders will be able to purchase 1 New Share for every 1 existing QMC ordinary share held as at 7:00 pm (AEDT) on 12 December 2014 (Record Date). New Shares issued under the Offer will rank equally with existing QMC ordinary shares from issue.

The funds raised by the Offer will be used to fund:

- a) 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 this offer; and
- d) general working capital.

The purpose of this letter is to inform you about the Offer, and to explain why you will not be able to purchase New Shares under the Offer. This letter is not an offer to issue New Shares to you, nor an invitation for you to apply for New Shares. You are not required to do anything in response to this letter.

Document relating to the Offer have been lodged with ASX and are currently being despatched to Eligible shareholders (as defined below).

Details of the Offer

The Offer is being implemented under Section 708AA of the Corporations Act 2001 (Cth) (Corporation Act), as modified by ASIC Class Order [CO08/35]. The Offer will raise up to approximately \$6.78 million.

The Offer is being made to Eligible Shareholders (as defined below), on the basis of 1 New Share for every 1 existing QMC ordinary share held.

Eligibility Criteria

QMC has determined pursuant to ASX Listing Rule 7.7.1(a) and Section 9A(3) of the Corporations Act that it would be unreasonable to make offers to shareholders in all countries in connection with the Offer. This determination was made due to legal limitations on making or extending an offer of New Shares in some countries, the relatively small number of shareholders in those countries, the small number of securities they hold and the potential cost of complying with regulatory requirements in those countries.

Accordingly, in compliance with ASX Listing Rule 7.7.1(b) and Section 9A(3) of the Corporations Act, QMC wishes to advise you that it will not be extending the Offer to you and you will not be able to purchase New Shares under the Offer.

Shareholders who are eligible to participate in the Offer are shareholders who, as at 7:00pm (AEDT) on 12 December 2014 (Record Date) were registered as holders of existing QMC ordinary shares and had a registered address in Australia, New Zealand and Hong Kong (Eligible Shareholders).

Unfortunately, as you do not satisfy the eligibility criteria for an Eligible Shareholder, you will not be able to purchase New Shares under the Offer. You will not be sent documents relating to the Offer.

As the Offer is non-renounceable, you will not receive any payment or value for entitlements in respect of New Shares that would have been offered to you if you were eligible.

If you have any question in relation to any of the above matters, please contact QMC's share registry, Boardroom Pty Limited on +61 1300 737 760.

On behalf of the board and management of QMC, we thank you for your continued interest in QMC.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Pipvide Tang', with a horizontal line underneath.

Pipvide Tang
Company Secretary