

## **Quarterly Report**

**For the period ended 30 June 2015**

**27 July 2015**

### **HIGHLIGHTS**

#### **Operations**

- The Company continues to carry out its planned 2015 exploration program in a very cost-effective manner across the Cloncurry tenements.
- Exploration work undertaken during the quarter mainly includes the completion of 2 RC holes (396m) in Flamingo West and 2 RC holes (270m) in Sally in north Cloncurry IOCG targets. Assays for the drilling program are still being awaited.
- Geological mapping and re-interpretation of previous geochemical data have led to the proposal of 8 RC holes (ca. 1,080m) in the Young Australian prospect in south Cloncurry. The drilling is planned to commence in the mid of August 2015. In addition, AEM data acquired for EPM19165 in the Mt Norma area in southeast Cloncurry has identified a number of anomalous zones that require follow-up next quarter.

#### **Corporate**

- The Company continue the dialog with several parties for potential cooperation in joint development of the company's flagship White Range Project and exploration of the extensive tenement package in the Cloncurry district. Reviews of the project data by two parties are currently under way.
- The applications filed by former Managing Director, Mr Howard Renshaw and Butmall Pty Limited seeking to set aside the bankruptcy notice and statutory demand served by the Company were dismissed with costs.

## Exploration Activities Report

Exploration activities during the current quarter have been focused on drilling the two IOCG (iron oxide copper-gold) targets in Flamingo West (EPM18106) and Sally (ML2535). Two RC holes for a total of 396m were completed at Flamingo West whilst 2 RC holes for a total of 270m were completed in Sally. In addition, detailed geological mapping was carried out in the Young Australian prospect (EPM18912) in south Cloncurry. This work, along with the re-interpretation of the previous QMC geochemical data in the area, has defined three new targets for drill testing in the next quarter. Finally, the airborne EM data acquired for EPM19165 (Weatherly Creek South) in the Mt Norma area in southeast Cloncurry has revealed a number of conductive anomalies which require further investigation prior to drill testing for sulphide copper-gold mineralisation.

### Flamingo West (EPM 18106)

The Flamingo West “EPM18106”, consisting of 4 sub-blocks for an area of ca. 13sqkm, is located approximately 100km north of Cloncurry (Figure 1). The area has been targeted by QMC and other companies for IOCG style of mineralization over the last 20 years. Significant drill intercept of 36m@ 2.71% Cu and 0.4g/t Au has been returned from the adjacent QMC mining lease (ML90103) less than 3km to the northeast. The dipole-dipole IP survey undertaken by Noranda Pacific between 2005 and 2006 had defined a moderate chargeability anomaly at Carty’s Bore in the southwest of the tenement but no flow-up drilling was performed due to company takeover. Geological mapping carried out recently by QMC has located outcropping oxidized copper mineralization (malachite) associated with quartz-magnetite-hematite ironstones and altered pegmatite dykes.

The recently completed RC drill program consists of 2 holes for a total of 396m. The details of the drillholes are presented in Table 1 and their locations are shown in Figure 2. The holes

Table 1 Drillhole details for the RC program at Carty’s Bore

Hole ID	Easting (GDA)	Northing (GDA)	Azimuth (Grid)	Dip	Depth (m)	Type
FW15RC01	416822	7813972	270	-60	246	RC
FW15RC02	416685	7813776	90	-60	150	RC

were proposed to test the combined soil and IP chargeability anomaly. As the centre of the modelled IP chargeability is about 200m below surface, the first hole (FW15RC01) was drilled to 246m but no visible copper mineralization was noticed from the drill cuttings. The second hole (FW15RC02) was sited about 200m to the south of the first hole along strike but off the IP anomaly. Narrow intervals of sporadic chalcopyrite were observed from 98m but ore grade mineralization seems to be unlikely. All the samples have been dispatched to ALS Laboratories in Townsville and assay results will be available in next few weeks.

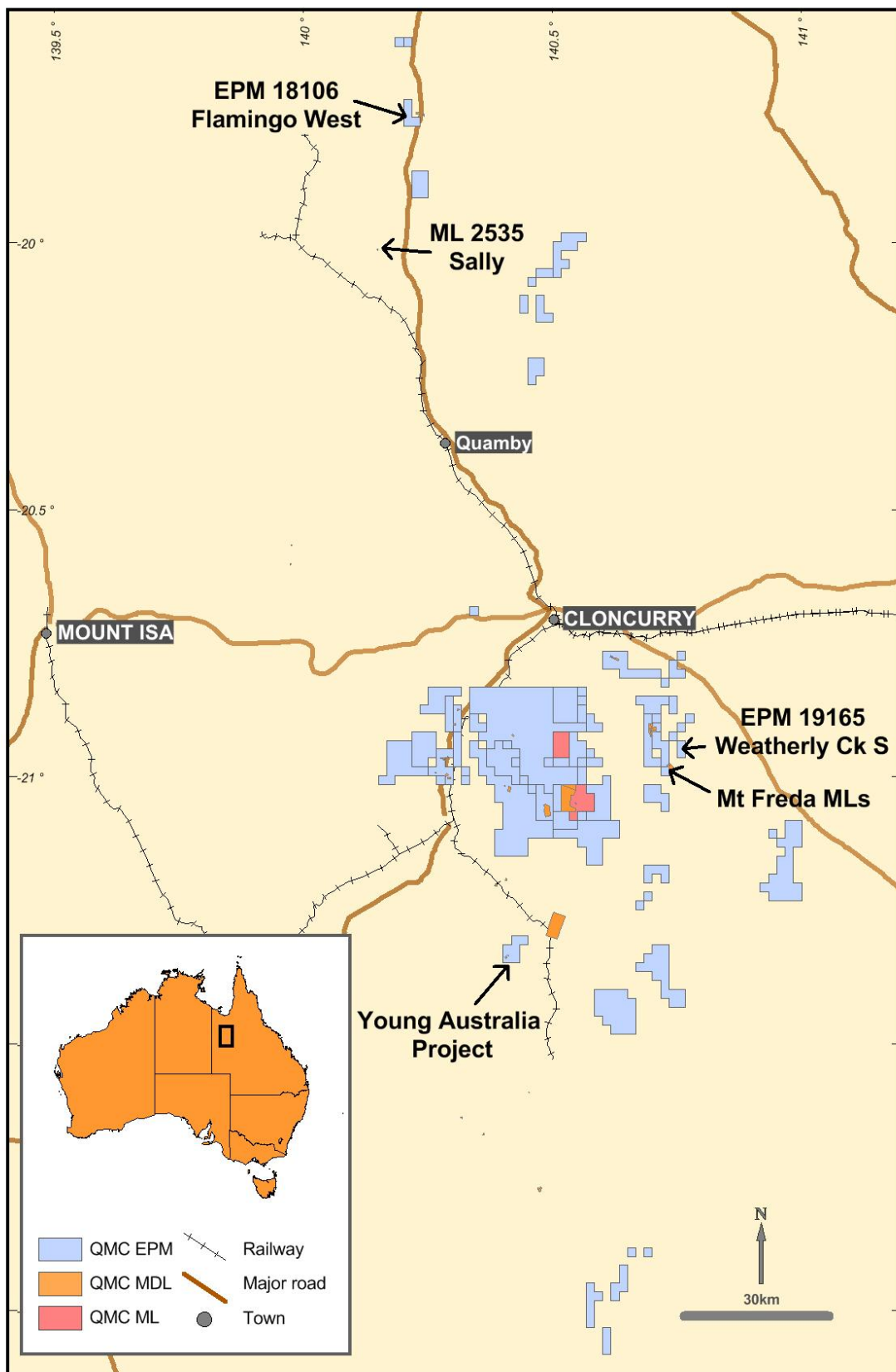


Figure 1 Regional location of Flamingo West, Sally, Young Australian and Weatherly Creek South prospects



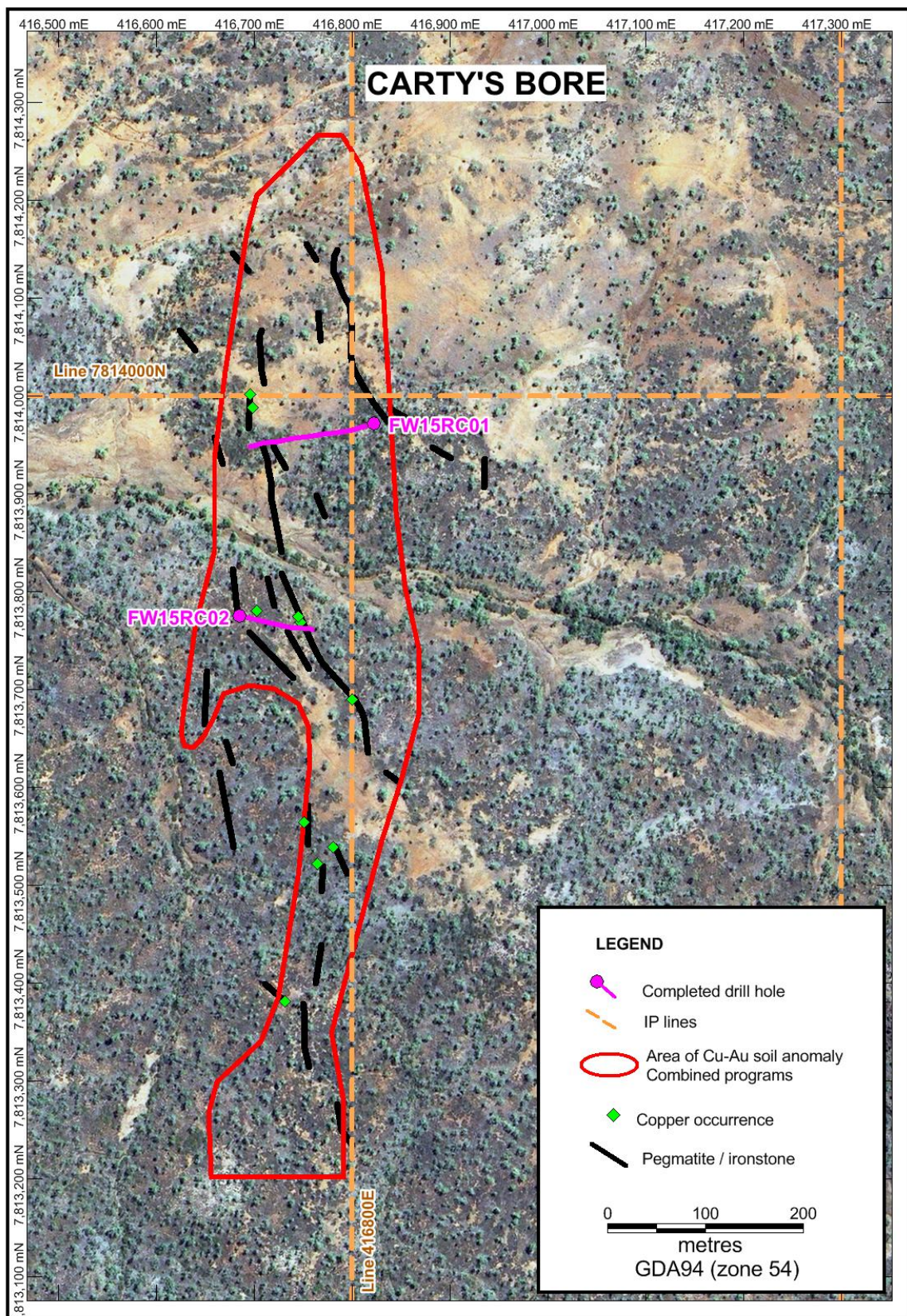


Figure 2 Plan view of the 2 RC holes drilled in Carty's Bore

## **Sally (ML2535)**

The Sally prospect comprises ML2535 (4 ha) and is located approximately 85km northwest of Cloncurry (Figure 1). It is also about 15km north of Altona's large copper deposit in Little Eva, following the same regional Roseby - Coolullah fault which is characterized by a prominent magnetic lineament.

During the quarter, QMC have undertaken both geological mapping and XRF based soil sampling over the entire lease. Visible copper mineralization (malachite and chalcopryite) was noted within altered and deformed calc-silicate units of the Corella Formation. XRF soil sampling consisted of a total of 88 samples, taken at 20m x 25m spacings. This work identified anomalous zones of >300ppm copper that were recommended for drill testing.

Two RC holes have been completed at the Sally prospect, for a total of 270m (Table 2 and Figure 3). These holes targeted the soil anomalies and outcropping mineralization. Both holes have intersected extensive red rock alteration, which is commonly associated with IOCG deposits, and visible sulphides. Assay results are expected early in the following quarter.

Table 2 Details of drilling completed at Sally

Hole ID	Easting (GDA)	Northing (GDA)	Azimuth (Grid)	Dip	Depth (m)	Type
SL15RC01	410849	7786825	134	-55	168	RC
SL15RC02	410979	7786853	270	-60	102	RC

## **Young Australian (EPM18912, MLs 7511, ML7512, ML90084 and ML 90099)**

The Young Australia project consists of four MLs (100% QMC interest) and surrounding six sub-blocks within EPM 18912 which is owned by Chinova Resources and from which QMC has the exclusive right to explore for mineralization over period of five years until June 2017. The project is centred approximately 70km south of Cloncurry and contains a JORC compliant resource of 1.11Mt @ 1.14% Cu in the measured category and 1.02Mt @0.84% Cu in the inferred category (Figure 1). Mineralization is thought to extend outside of this resource. Work undertaken during the current quarter has focused on identifying new areas with potential to increase the total resource of the project.

QMC completed lag and soil sampling plus geological mapping over the whole JV area in late 2012. The work has identified a number of promising targets for possible drill testing. Priority targets include East Drift North, Hidden Treasure, Tank Hill, and Dega (Figure 4). The detailed geological mapping carried out during the current quarter has helped to refine the drill targets. Eight RC holes are proposed for a total of 1,080m to mainly test the Hidden Treasure, Tank Hill and Dega targets for potential oxide and sulphide copper mineralization (Figure 5). The drilling is planned to commence in the mid of August 2015, subject to cultural and heritage clearance with the Kalkadoon Native Title claimant group.



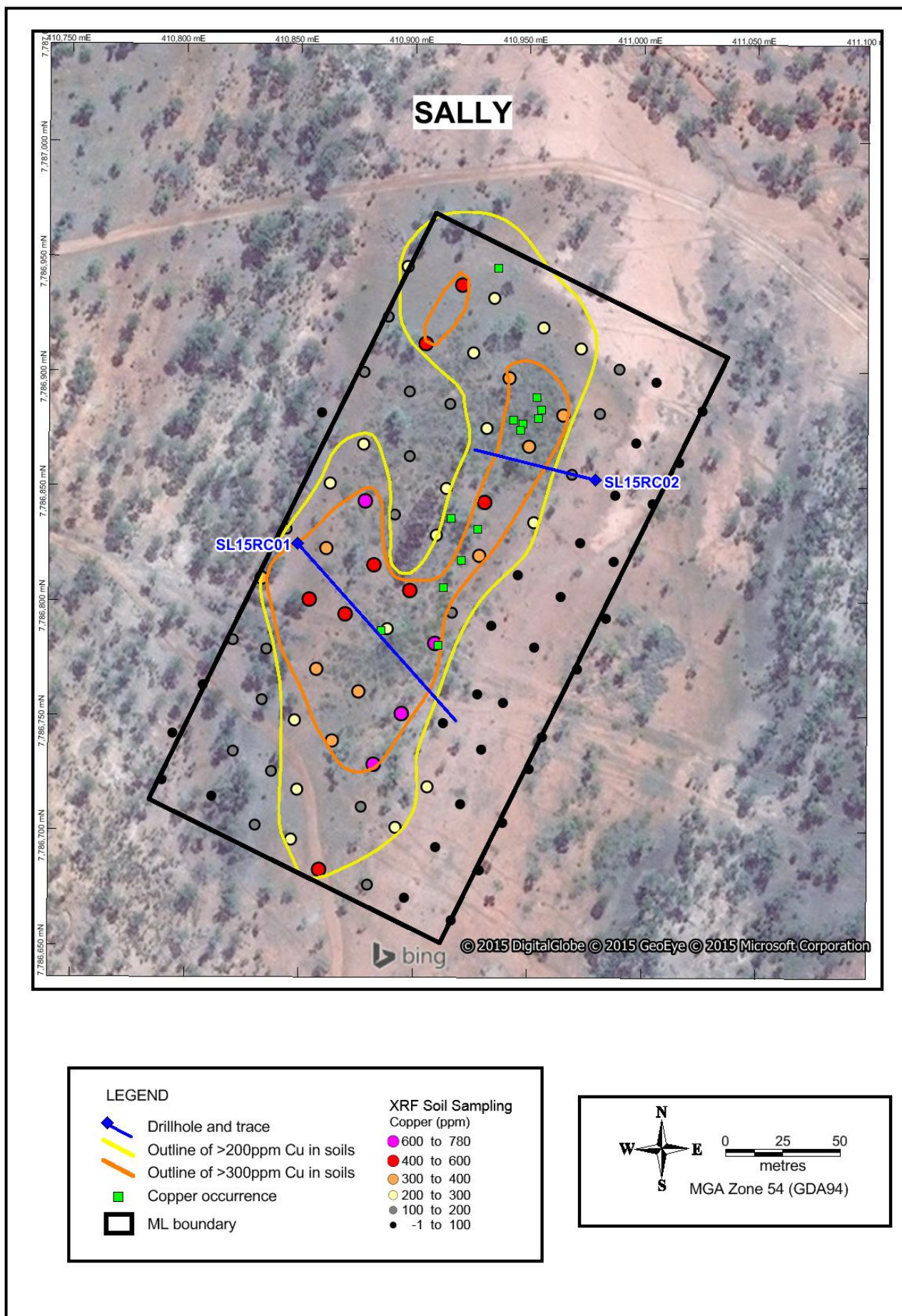


Figure 3 Plan view of the two RC holes drilled in Sally



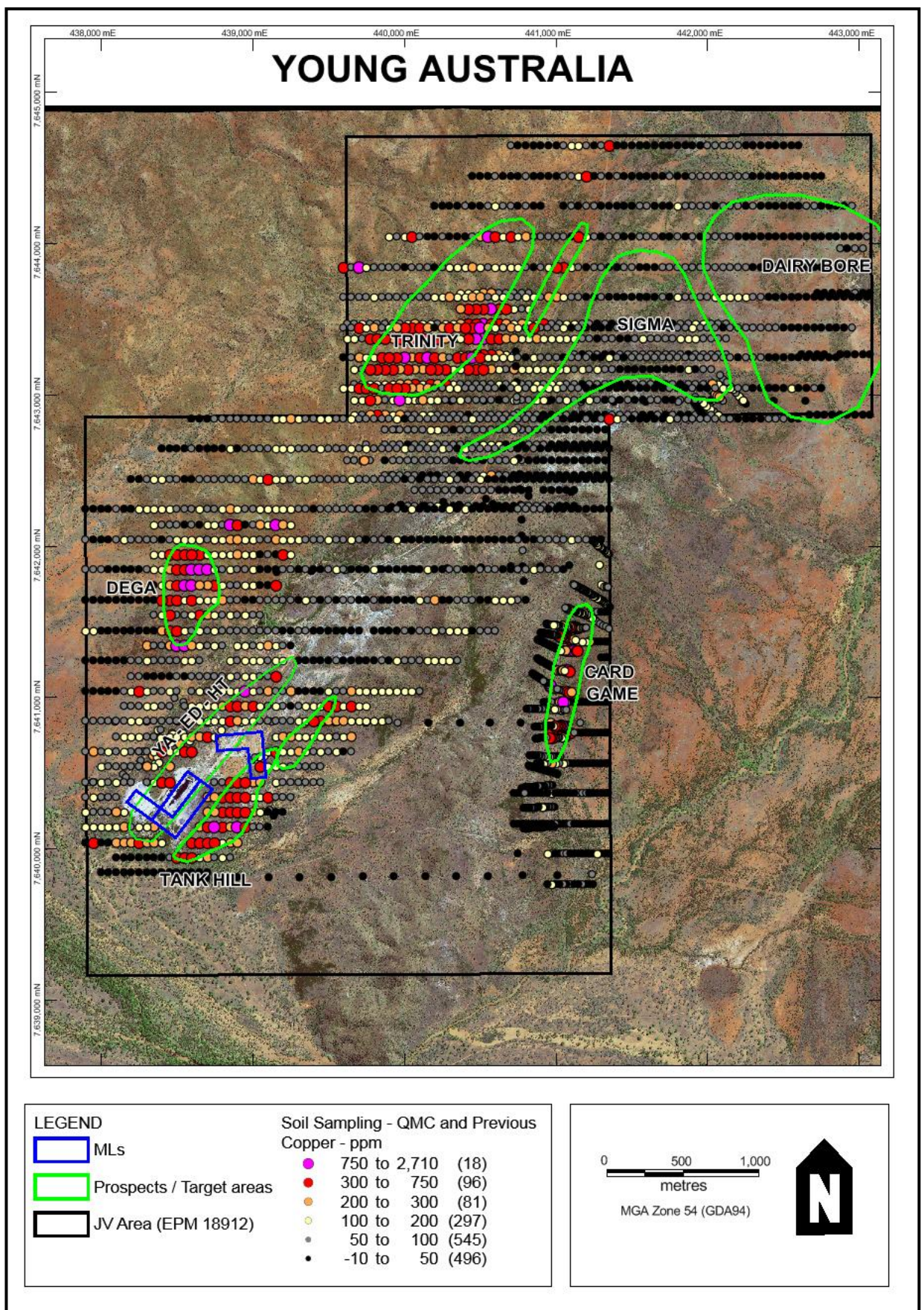


Figure 4 Copper in soil anomalies and prospects in Young Australian



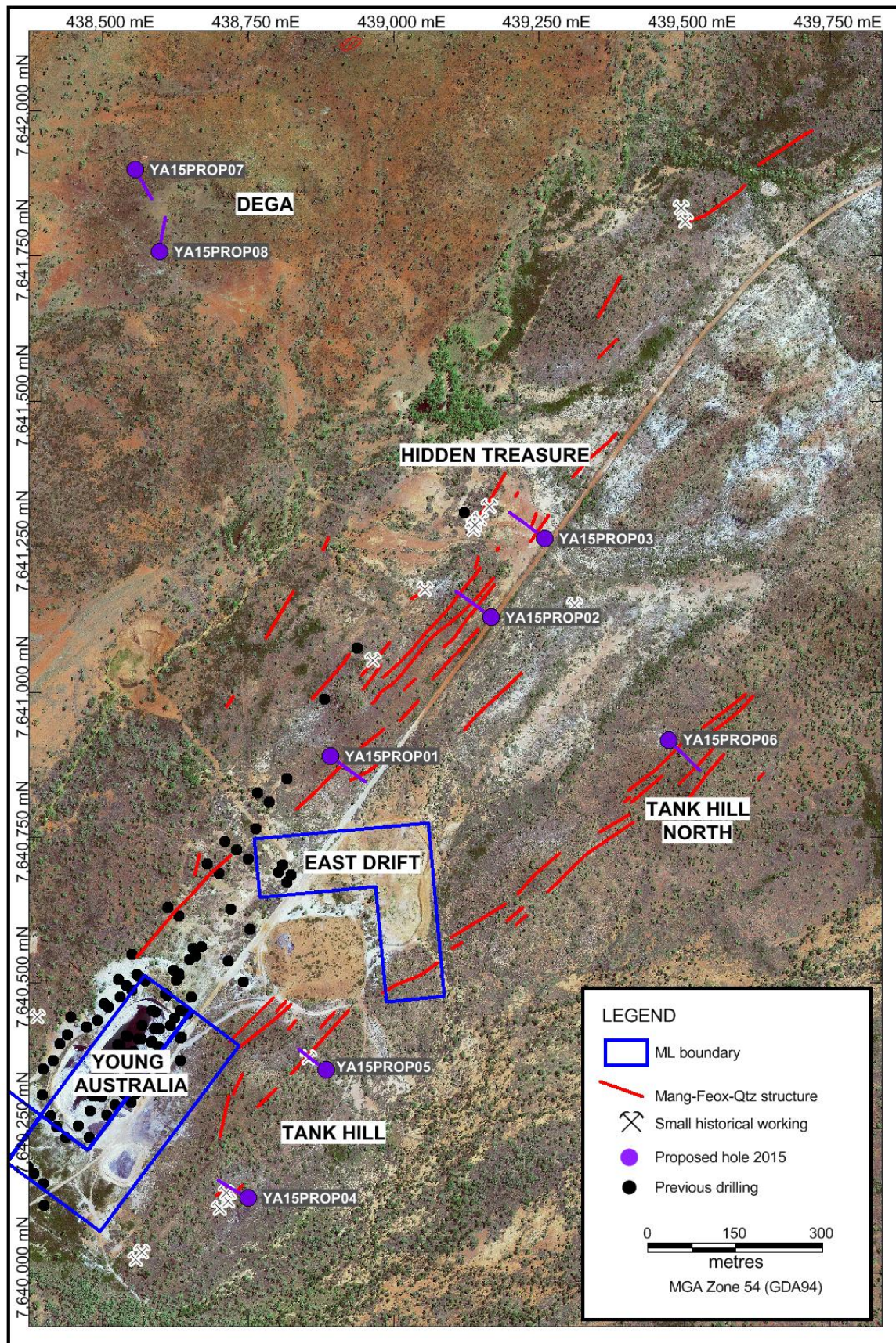


Figure 5 Proposed RC holes in Young Australian



### **Weatherly Creek South (EPM19165)**

The Weatherly Creek South EPM currently consists of two sub-blocks (6.4 sq km) located approximately 37km southeast of Cloncurry (Figure 1). The tenement is adjacent to QMC's Mt Freda mining leases, which contain an existing JORC inferred resource of 1.6 Mt @ 1.7 g/t gold.

QMC have recently acquired airborne electromagnetic data (Geotech's VTEM Super Max) over the two sub-blocks of EPM 19165. VTEM has the ability to locate discrete conductor targets, with which there may be associated gold and / or base metal sulphide mineralization. A similar system was instrumental in the recent discovery of Minotaur's Artemis project located 3.5km to the southeast.

Review of the data has identified five potential targets within EPM 19165. These consist of early to late time anomalies, some of which are associated with magnetic features (Figure 6). QMC will complete follow-up ground work, consisting of reconnaissance geological mapping and geochemistry in the next quarter to define possible drill targets.

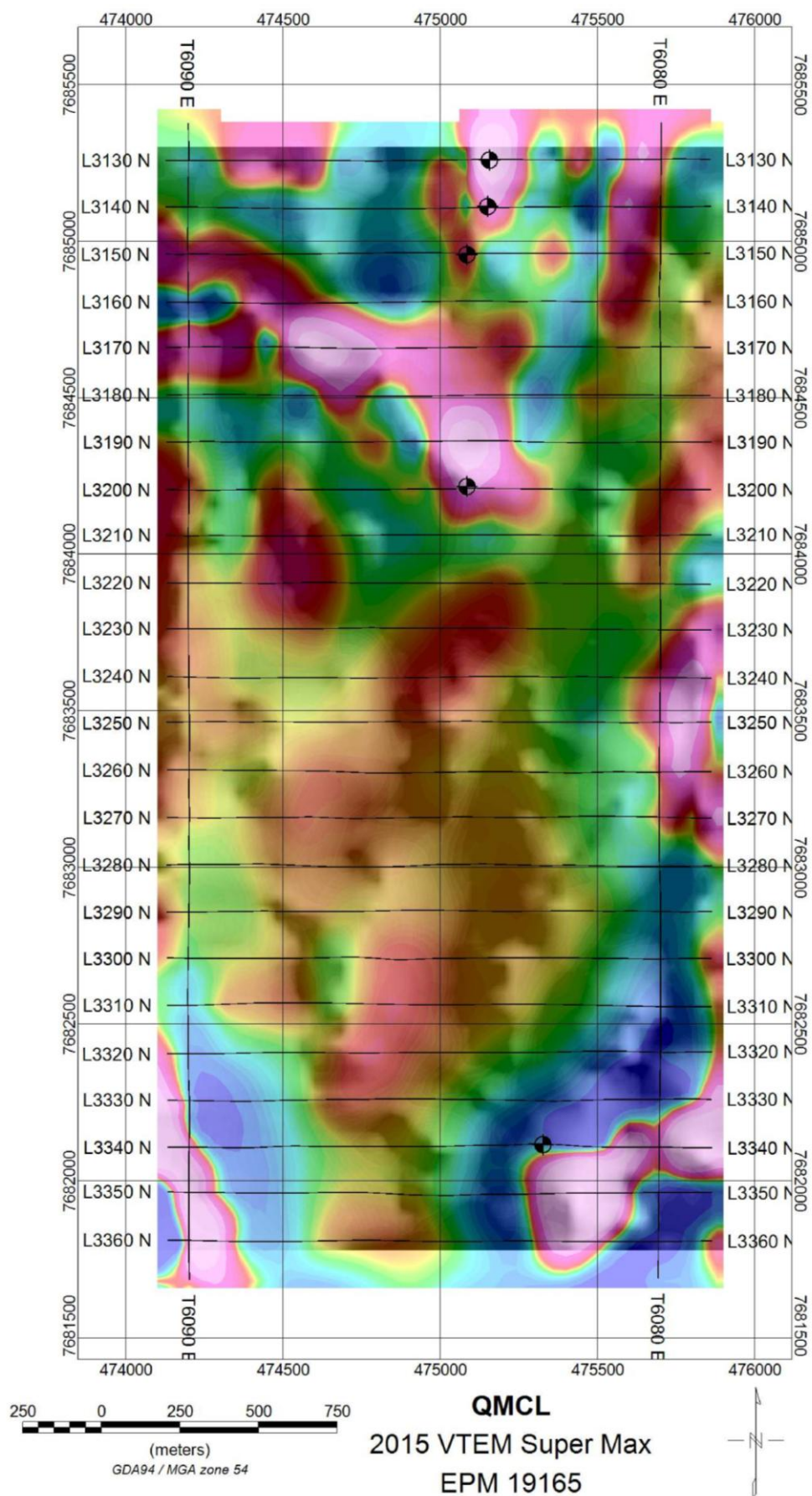


Figure 6 Late time channel EM (high pass filter) with magnetic RTP Tilt over EPM19165 (target anomalies also shown as circles)



## **Corporate Activities**

The Company continue the dialog with several parties for potential cooperation in joint development of the White Range Project and exploration of the Company's highly prospective tenement holdings in Cloncurry. Technical review of the project by two parties is currently under way.

The applications filed by the former managing director Mr Howard Renshaw and his controlled company, Butmall Pty Limited seeking to set aside the bankruptcy notice and statutory demand served by the Company were heard on the 4<sup>th</sup> and 9<sup>th</sup> of June 2015. Both applications were dismissed with costs.

The Company is now taking steps to seek to procure payment of the judgement debts.

### **For further details please contact:**

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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 June 2015

#### Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'ooo	Year to date (12 months) \$A'ooo
1.1	Receipts from product sales and related debtors		
1.2	Payments for (a) exploration & evaluation	(193)	(1,539)
	(b) development		
	(c) production		
	(d) administration	(167)	(730)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	13	38
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Other (provide details if material)		
	-GST refund	15	100
	-R&D Tax Incentive	104	104
	-Payroll & PAYG Tax paid	(26)	(158)
	-ATO GIC		(8)
<b>Net Operating Cash Flows</b>		<b>(254)</b>	<b>(2,193)</b>
<b>Cash flows related to investing activities</b>			
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	10	10
1.10	Loans to other entities		
1.11	Loans repaid by other entities		
1.12	Other (provide details if material)		
	-Joint Venture		10
<b>Net investing cash flows</b>		<b>10</b>	<b>20</b>
1.13	Total operating and investing cash flows (carried forward)	<b>(244)</b>	<b>(2,173)</b>

+ 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)	(244)	(2,173)
1.14	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.		3,671
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)		
	<b>Net financing cash flows</b>		3,671
	<b>Net increase (decrease) in cash held</b>		
1.20	Cash at beginning of quarter/year to date	3,607	1,865
1.21	Exchange rate adjustments to item 1.20		
1.22	<b>Cash at end of quarter</b>	3,363	3,363

### 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	69
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	24
Payment to Eddy Wu	
- Director fee	23
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

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+ See chapter 19 for defined terms.

**Appendix 5B**

**Mining exploration entity and oil and gas exploration entity quarterly report**

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- 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
<b>Total</b>	<b>450</b>

### 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	48	58
5.2 Deposits at call	2,500	3,300
5.3 Bank overdraft	-	-
5.4 Other Online Saving Account	815	249
<b>Total: cash at end of quarter (item 1.22)</b>	<b>3,363</b>	<b>3,607</b>

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+ 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	Nil		
6.2	Interests in mining tenements and petroleum tenements acquired or increased	EPM 25669 QLD	0	100%

#### 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	<b>Preference securities</b> (description)			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	<b>+Ordinary securities</b>	1,748,382,729	1,748,382,729	
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs			
7.5	<b>+Convertible debt securities</b> (description)			

+ See chapter 19 for defined terms.

**Appendix 5B**

**Mining exploration entity and oil and gas exploration entity quarterly report**

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7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	<b>Options</b> (description and conversion factor)	Nil	Nil	<i>Exercise price</i>	<i>Expiry date</i>
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	<b>Debentures</b> (totals only)				
7.12	<b>Unsecured notes</b> (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: 27 July 2015

Print name: Pipvide Tang



## 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 June 2015**

<b>Tenement Name</b>	<b>Tenement Number</b>	<b>Location</b>	<b>Interest at Beginning Quarter</b>	<b>Interest at End Quarter</b>	<b>Acquired during Quarter</b>	<b>Disposed during Quarter</b>	<b>JV Partner/Farm-in Party</b>
Cloncurry South	<b>EPM 13336</b>	NW QLD	100%	100%	-	-	
White Range #1	<b>EPM 14148</b>	NW QLD	100%	100%	-	-	
White Range #2	<b>EPM 14163</b>	NW QLD	100%	100%	-	-	
White Range #4	<b>EPM 14475</b>	NW QLD	100%	100%	-	-	
White Range #6	<b>EPM 15031</b>	NW QLD	100%	100%	-	-	
Mt Tracey	<b>EPM 15196</b>	NW QLD	100%	100%	-	-	
Top Bore	<b>EPM 15520</b>	NW QLD	100%	100%	-	-	
Tommy Creek	<b>EPM 15706</b>	NW QLD	100%	100%	-	-	
Duck Creek South	<b>EPM 15718</b>	NW QLD	100%	100%	-	-	
Kuridala South	<b>EPM 15740</b>	NW QLD	Exclusive exploration right	Exclusive exploration right	-	-	Exco Resources
Sunny Mount	<b>EPM 15858</b>	NW QLD	100%	100%	-	-	
Mt Norma	<b>EPM 15879</b>	NW QLD	100%	100%	-	-	
White Range Consolidated	<b>EPM 15897</b>	NW QLD	100%	100%	-	-	
Jessievale	<b>EPM 16078</b>	NW QLD	100%	100%	-	-	
Mt Brownie	<b>EPM 16628</b>	NW QLD	100%	100%	-	-	
Mt Sheaffer	<b>EPM 16976</b>	NW QLD	100%	100%	-	-	
Pigeon South	<b>EPM 17246</b>	NW QLD	100%	100%	-	-	
Coolullah	<b>EPM 17247</b>	NW QLD	100%	100%	-	-	
Pigeon North	<b>EPM 17248</b>	NW QLD	100%	100%	-	-	
Pigeon 3	<b>EPM 17323</b>	NW QLD	100%	100%	-	-	
Top Camp	<b>EPM17602</b>	NW QLD	51%	51%		-	Orion Gold/Findex
Mt Norma West	<b>EPM 17922</b>	NW QLD	100%	100%	-	-	
Flamingo West	<b>EPM 18106</b>	NW QLD	100%	100%	-	-	
Elder Creek	<b>EPM 18286</b>	NW QLD	100%	100%	-	-	

30 June 2015

Slaty Creek	<b>EPM 18440</b>	NW QLD	100%	100%	-	-	
Gold Reef Dam	<b>EPM 18663</b>	NW QLD	100%	100%	-	-	
WEDGETAIL	<b>EPM 18912</b>	NW QLD	100%	100%	-	-	
Elder Creek East	<b>EPM 19149</b>	NW QLD	100%	100%	-	-	
Turpentine Creek	<b>EPM 19150</b>	NW QLD	100%	100%	-	-	
Weatherly Creek South	<b>EPM 19165</b>	NW QLD	100%	100%	-	-	
Surprise Creek	<b>EPM 19166</b>	NW QLD	100%	100%	-	-	
Weatherly Creek North	<b>EPM 19167</b>	NW QLD	100%	100%	-	-	
Anitra Osborne	<b>EPM 19183</b>	NW QLD	100%	100%	-	-	
Pegmont South	<b>EPM 19184</b>	NW QLD	100%	100%	-	-	
Jackeys Creek	<b>EPM25669</b>	NW QLD	0	100%	Granted		
COPPER CANYON	<b>MDL 204</b>	NW QLD	100%	100%	-	-	
GREENMOUNT	<b>MDL 205</b>	NW QLD	100%	100%	-	-	
MOUNT NORMA	<b>ML2506</b>	NW QLD	100%	100%	-	-	
SOUTHERN CROSS	<b>ML2510</b>	NW QLD	100%	100%	-	-	
ANSWER	<b>ML 2517</b>	NW QLD	100%	100%	-	-	
WINSTON CHURCHILL	<b>ML 2518</b>	NW QLD	100%	100%	-	-	
VULCAN	<b>ML 2519</b>	NW QLD	100%	100%	-	-	
SALLY	<b>ML 2535</b>	NW QLD	100%	100%	-	-	
DULCE	<b>ML 2537</b>	NW QLD	100%	100%	-	-	
BELFAST	<b>ML 2540</b>	NW QLD	100%	100%	-	-	
BELGIUM	<b>ML 2541</b>	NW QLD	100%	100%	-	-	
JACKLEY	<b>ML 2543</b>	NW QLD	100%	100%	-	-	
DULCE EXTENDED NO 2	<b>ML 2544</b>	NW QLD	100%	100%	-	-	
DANDY	<b>ML 2548</b>	NW QLD	100%	100%	-	-	
TRUMP	<b>ML 2549</b>	NW QLD	100%	100%	-	-	
MOUNT NORMA NO 2	<b>ML 2550</b>	NW QLD	100%	100%	-	-	
MOUNT NORMA NO 3	<b>ML 2551</b>	NW QLD	100%	100%	-	-	
GILDED ROSE	<b>ML 2709</b>	NW QLD	100%	100%	-	-	
BUTTON	<b>ML 2711</b>	NW QLD	100%	100%	-	-	
GILDED ROSE EXTENDED EAST	<b>ML 2713</b>	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	<b>ML 90173</b>	NW QLD	100%	100%	-	-	
MT NORMA SURROUND 3	<b>ML 90174</b>	NW QLD	100%	100%	-	-	
MT NORMA SURROUND 4	<b>ML 90175</b>	NW QLD	100%	100%	-	-	
MT NORMA SURROUND 5	<b>ML 90176</b>	NW QLD	100%	100%	-	-	
MT DEBBIE	<b>MC 4348</b>	NW QLD	100%	100%	-	-	
MT DEBBIE 2	<b>MC 4349</b>	NW QLD	100%	100%	-	-	
MT DEBBIE NO 1	<b>MC 4350</b>	NW QLD	100%	100%	-	-	

## 2012 JORC Code

### Section 1 – Sampling Techniques and Data

Criteria	Explanation
<i>Handheld XRF Soil Sampling Techniques – Sally</i>	<ul style="list-style-type: none"> <li>An Innovex Delta model handheld XRF was employed with the device set to soil testing mode. Calibration was performed on a daily basis using a '316' standard issued with the device.</li> <li>A rock pick was used to dig a shallow pit at each sampling site (roughly 15-20cm deep, or as deep as soil cover allowed), with the head of the rock pick then being used to flatten the target area in order to obtain a representative and homogeneous soil sample in the field.</li> <li>Three readings were taken at each site and the figures for Cu were averaged</li> </ul>
Location of data points	<ul style="list-style-type: none"> <li>Location by hand held Garmin GPSmap 62s GPS</li> <li>Cloncurry district – Grid System MGA94, Zone 54</li> </ul>
Data spacing and distribution	<ul style="list-style-type: none"> <li>Sampling was undertaken at 25m line spacing and 20m every sample.</li> </ul>
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> <li>Survey lines are oriented approximately 115 degrees (WNW – ESE), being perpendicular to the interpreted mineralized trend</li> </ul>

Criteria	Explanation
<i>Drilling Techniques – Flamingo West and Sally</i>	<ul style="list-style-type: none"> <li>Reverse circulation drilling using Schramm T685 drill rig</li> </ul>
Sampling Techniques	<ul style="list-style-type: none"> <li>All drill samples were collected at 1 metre intervals</li> <li>Drill samples were riffle split using a riffle splitter mounted on the drill rig</li> <li>Average sample weight is about 3kg</li> <li>Samples were pulverised to produce 30g charge for four acid digest for multi-elements and fire assay for gold</li> </ul>
Logging	<ul style="list-style-type: none"> <li>Drill chips were logged onto field sheets and later input into the computer connected with Company server in site office.</li> <li>Chips were sieved on regular 1m intervals and put into labelled chip trays</li> <li>All chips were geologically logged</li> <li>Chip trays are stored in the site office in Cloncurry</li> </ul>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li>Assays will be conducted by ALS Global, Townsville laboratory, using standard procedures and standard laboratory checks, ME-ICP61 and Au-AA25</li> </ul>



	<ul style="list-style-type: none"> <li>• Sample preparation is consistent with industry standard practice</li> <li>• The samples sizes are appropriate for the material being sampled</li> </ul>
Quality of assay data and laboratory tests	<p>Sampling and assaying quality assurance and 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"> <li>• Blind certified OREAS standards were inserted 1 in every 25 samples</li> <li>• Blanks and field duplicates were included at a ratio of 1:50</li> <li>• Field duplicates were obtained by splitting the calico where possible, or spear sampling the green plastic bag</li> <li>• OREAS standards were sourced from Ore Research &amp; Exploration Ltd</li> <li>• A total of 30 standards with various values, 15 duplicates and 15 blanks were used for the Flamingo West and Sally drill programs</li> </ul>
Verification of sampling and assaying	<ul style="list-style-type: none"> <li>• Significant mineralisation intersections will be verified by Chief Geologist</li> </ul>
Location of data points	<ul style="list-style-type: none"> <li>• Drill hole collars were picked up using DGPS with sub-metre resolution</li> <li>• Down hole surveys were taken every 30m using a Reflex Single Shot Digital Camera</li> <li>• Co-ordinates are recorded in grid system MGA94, Zone 54</li> </ul>
Data spacing and distribution	<ul style="list-style-type: none"> <li>• 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</li> <li>• No sample compositing has been applied</li> </ul>
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> <li>• Drill holes were designed to intersect the mineralized structure with minimal depth</li> <li>• Drilling orientation was proposed to be approximately perpendicular to the strike of mapped mineralised zones</li> </ul>
Sample security	<ul style="list-style-type: none"> <li>• Sample bags were packed in batches into polyweave bags and then wrapped onto pallet for transport</li> <li>• Samples were transported to laboratory in Townsville by NQX</li> </ul>
Audits or reviews	<ul style="list-style-type: none"> <li>• Audit of sampling techniques and data will be performed</li> <li>• In-house review of QAQC for laboratory assays will be undertaken</li> </ul>

Criteria	Explanation
<i>Sampling Techniques – Airborne Electromagnetic geophysical survey</i>	<ul style="list-style-type: none"> <li>Geotech helicopter-borne VTEM Max system with nominal terrain clearance of 83m and sensor height of 47m. Configuration included: 35m diameter transmitter loop, peak dipole moment of 1,139,008 nIA, transmitter frequency 25 Hz, 3 component B field &amp; dB/dt</li> <li>Magnetometer used was Geometrics optically pumped caesium vapour magnetic field sensor mounted 10m below the helicopter.</li> </ul>
Location of data points	<ul style="list-style-type: none"> <li>On-board GPS navigation system allowing positional accuracy of 1.8m</li> <li>Radar altimeter (Terra TRA 3000/TRI 40) to record terrain clearance</li> </ul>
Data spacing and distribution	<ul style="list-style-type: none"> <li>Readings taken at 2-3m intervals along flight lines nominally 150m apart and tie lines 1500m apart</li> </ul>
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> <li>Flight lines oriented across dominant strike direction of rock units and structures</li> </ul>

## Section 2 – Reporting of Exploration Results

Criteria	Explanation
<i>Mineral Tenement and Land Tenure Status – Flamingo West</i>	<ul style="list-style-type: none"> <li>EPM18106 “Flamingo West’ is located approximately 100km north of Cloncurry and 100% owned by QMC’s subsidiary Flamingo Copper Mines Pty Ltd. The EPM currently consists of 4 sub-blocks and will expire on 20 November 2017.</li> </ul>
Exploration done by other parties	<p>The tenement and its surrounding areas have been explored by numerous companies including CRA, MIM and Noranda in modern times.</p> <ul style="list-style-type: none"> <li>1987-1988 CRA completed stream sediment, soil and rock chip sampling</li> <li>1992-1998 MIM conducted airborne EM, ground EM, soil sampling and drilling</li> <li>1995 – 1998 BHP undertook GEOTEM and gravity survey</li> <li>2005-2006 Noranda completed airborne magnetic and radiometric survey, IP, and soil and rock chip sampling</li> </ul>
Geology	<ul style="list-style-type: none"> <li>Potential IOCG style of mineralisation hosted in the metamorphic rocks of the Soldiers Cap Group. Intersection of the N-S trending fault with NW cross fault provides favourable structural trap for metals to precipitate from hydrothermal solution. Mineralisation of this type is characterised by magnetic and chargeability highs</li> </ul>

Drill hole information	<ul style="list-style-type: none"> <li>Full drill collar details for drillholes FW15RC01 and FW15RC02, including location co-ordinates, orientation and final depth, are provided in Table 1 of the report</li> </ul>
Data aggregation method	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>
Relationship between mineralisation widths and interception lengths	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>
Diagrams	<ul style="list-style-type: none"> <li>See Figure 2 of this report</li> </ul>
Balanced reporting	<ul style="list-style-type: none"> <li>The accompanying document is considered to represent a balanced report</li> </ul>
Other substantive exploration data	<ul style="list-style-type: none"> <li>Sodic and calcic alteration occurs as precursor to the related copper-gold mineralisation. K-Feldspar, actinolite and magnetite alteration was observed during geological mapping</li> </ul>

Criteria	Explanation
<i>Mineral Tenement and Land Tenure Status – Sally</i>	<ul style="list-style-type: none"> <li>ML2535 ‘Sally’ is located approximately 85km northwest of Cloncurry and 100% owned by QMC’s subsidiary North Queensland Mines Pty Ltd. The ML covers an area of 4 hectares. It expired on 31 January 2014 but a renewal has been lodged.</li> </ul>
Exploration done by other parties	<ul style="list-style-type: none"> <li>The tenement and its surrounding areas have been targeted for numerous styles of mineralisation including roll-front uranium (1950s to 1970s) by Uranium Search, IOCG and Dugald River type Pb-Zn (1960s to 1990s) by Rio Tinto, CRA, MIM and WMC in the form of limited geological mapping, stream sediment sampling and EM surveys. No soil, rock chip and drilling were recorded.</li> </ul>
Geology	<ul style="list-style-type: none"> <li>Potential IOCG style of mineralisation hosted in the calc-silicate rocks of the Corella Formation. Breccia zones and fold hinges are ideal sites for metals to precipitate from hydrothermal solution. Mineralisation of this type is characterised by magnetic highs</li> </ul>
Drill hole information	<ul style="list-style-type: none"> <li>Full drill collar details for drillholes SL15RC01 and SL15RC02, including location co-ordinates, orientation and final depth, are provided in Table 2 of the report</li> </ul>
Data aggregation method	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>
Relationship between mineralisation widths and interception lengths	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>
Diagrams	<ul style="list-style-type: none"> <li>See Figure 3 of this report</li> </ul>
Balanced reporting	<ul style="list-style-type: none"> <li>The accompanying document is considered to represent a balanced report</li> </ul>
Other substantive exploration data	<ul style="list-style-type: none"> <li>Sodic and calcic alteration occurs as precursor to the related copper-gold mineralisation. K-</li> </ul>



	Feldspar, actinolite and magnetite alteration was observed during geological mapping
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Criteria	Explanation
<i>Mineral Tenement and Land Tenure Status – Young Australia</i>	<ul style="list-style-type: none"> <li>The Young Australia project consists of four MLs (7511, 7512, 90084, 90099) and six sub-blocks within EPM 18912 located approximately 70km southwest of Cloncurry</li> <li>The four MLs are 100% owned by QMC's subsidiary North Queensland Mines Pty Ltd. ML7511 comprises 3 ha and expires 31/10/2015. ML7512 is 2 ha, expiry 31/10/2015. ML90084 is 5ha, expiry 30/04/2017. ML90099 is 5ha, expiry 31/05/2016.</li> <li>EPM 18912 is owned by Chinova Resources. QMC is operating under a joint venture agreement with Chinova and has exclusive exploration rights until June 2017.</li> </ul>
Exploration done by other parties	<p>The area has undergone small scale mining within the ML's from the early 1900s until the 1960s, at which point drilling (44 percussion holes, 8 diamond holes) and geophysical surveys (self-potential) were completed by MIM and Carpentaria.</p> <p>Exploration has also been completed within the wider area since the 1960s and has included:</p> <ul style="list-style-type: none"> <li>MIM, Carpentaria (1963 – 1967): geological mapping, geophysical surveys, and drilling at Tank Hill, Main pit area, Hidden Treasure prospects</li> <li>BHP (1973 – 1975): geological mapping, soil sampling</li> <li>CRAE (1975 – 1976): steam sediment sampling, rock chip sampling</li> <li>CRAE, Arimco, Ivanhoe (1989 – current): ground held under continuous tenure (conditional relinquishments) since 1989. Soil sampling at Trinity, Sigma, Card Game. Drilling at Card Game. RAB drilling at Dairy Bore.</li> <li>Additional licenses have been held in the past, but work was focused outside the current area</li> </ul>
Geology	<ul style="list-style-type: none"> <li>The Young Australia deposit consists of copper mineralisation that is probably controlled by NE trending, sub-vertical shear zones developed within the carbonaceous Answer Slate. Mineralisation comprises malachite, chrysocolla, cuprite, chalcocite and chalcopyrite.</li> </ul>

	<ul style="list-style-type: none"> <li>The Tank Hill, East Drift, and Hidden Treasure deposits are also thought to have potential for shear-hosted copper mineralisation and also occur within the Answer Slate</li> <li>The Dega prospect occurs within an interpreted raft of the Mitakoodi Quartzite (meta-limestone, meta-siltstone, meta-sandstone), surrounded by Wimberu Granite. Surface geological mapping located malachite and azurite associated with skarn-style mineral assemblages.</li> </ul>
Drill hole information	<ul style="list-style-type: none"> <li>No drilling was performed during the reporting period</li> </ul>
Data aggregation method	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>
Relationship between mineralisation widths and interception lengths	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>
Diagrams	<ul style="list-style-type: none"> <li>See Figure 4 &amp; 5 of this report</li> </ul>
Balanced reporting	<ul style="list-style-type: none"> <li>The accompanying document is considered to represent a balanced report</li> </ul>
Other substantive exploration data	<ul style="list-style-type: none"> <li>Aeromagnetic and radiometric data are also available over the tenement area.</li> </ul>

Criteria	Explanation
<i>Mineral Tenement and Land Tenure Status – Weatherly Creek South</i>	<ul style="list-style-type: none"> <li>Weatherly Creek South (EPM 19165) currently consists of 2 sub-blocks and will expire 27/06/2017.</li> <li>EPM 19165 is 100% owned by QMC Exploration Pty Limited.</li> </ul>
Exploration done by other parties	<ul style="list-style-type: none"> <li>Exploration has been completed within the region since the 1950s, targeting uranium, base metals, and gold mineralisation. Work has consisted of radiometric surveys, geological mapping, stream sampling, rock sampling, soil sampling, and drilling. The vast majority of this work was completed outside of the current tenement area (with the exception of stream sediment sampling). No known mineral occurrences or previous drilling are known within the current tenement.</li> </ul>
Geology	<ul style="list-style-type: none"> <li>Geology consists of the Toole Creek Volcanics unit of the Soldiers Cap Group. These are comprised of metabasalt, metadolerite and interbedded metasediments.</li> </ul>
Drill hole information	<ul style="list-style-type: none"> <li>No drilling was performed during the reporting period</li> </ul>
Data aggregation method	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>
Relationship between mineralisation widths and interception lengths	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>
Diagrams	<ul style="list-style-type: none"> <li>See Figure 6 of this report</li> </ul>

Balanced reporting	<ul style="list-style-type: none"> <li>The accompanying document is considered to represent a balanced report</li> </ul>
Other substantive exploration data	<ul style="list-style-type: none"> <li>Aeromagnetic and radiometric data are also available over the tenement area.</li> </ul>