



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

ASX Market Release

13 October 2015

Significant New Copper Mineralisation Discovered in Young Australian

Queensland Mining Corporation Limited (**ASX: QMN**) is pleased to announce the results from the recently completed RC drilling program in Young Australian, approximately 70 km south of Cloncurry in northwest Queensland (Figure 1). The program initially consists of 8 holes for a total of 1,112m to test three new targets outside of the existing resources. The drilling has intersected significant copper mineralisation at shallow depth and the highlights from the assay results include

- ***26m @ 1.56% Cu from 59m, including
18m @ 2.10% Cu from 66m and
10m @ 2.95% Cu from 69m in Hole YA15RC06***
- ***13m @ 1.08% Cu from 52m in Hole YA15RC01***
- ***20m @ 0.45% Cu from 105m, including
4m @ 0.96% Cu from 105m in Hole YA15RC04***
- ***>1,000m long and up to 100m wide new mineralized trend identified***

Eddy Wu, QMC's CEO, said "the Company is very excited about these very positive drill results returned from the recent RC drill program. The high grade copper intersections, coupled with the newly discovered mineralised trend of more than 1,000m long, clearly demonstrate the real potential of the Young Australian project. Further drilling is being planned and the outcome is expected to provide great leverage to the value of our shareholders".

The Young Australian project consists of four mining leases (ML7511, ML7512, ML90084 and ML90099; 100% QMC interest) and surrounding six sub-blocks within EPM 18912 which is owned by Chinova Resources and from which QMC has the exclusive rights to explore for mineralization over a period of five years until June 2017. In addition, QMC has an option to require Chinova

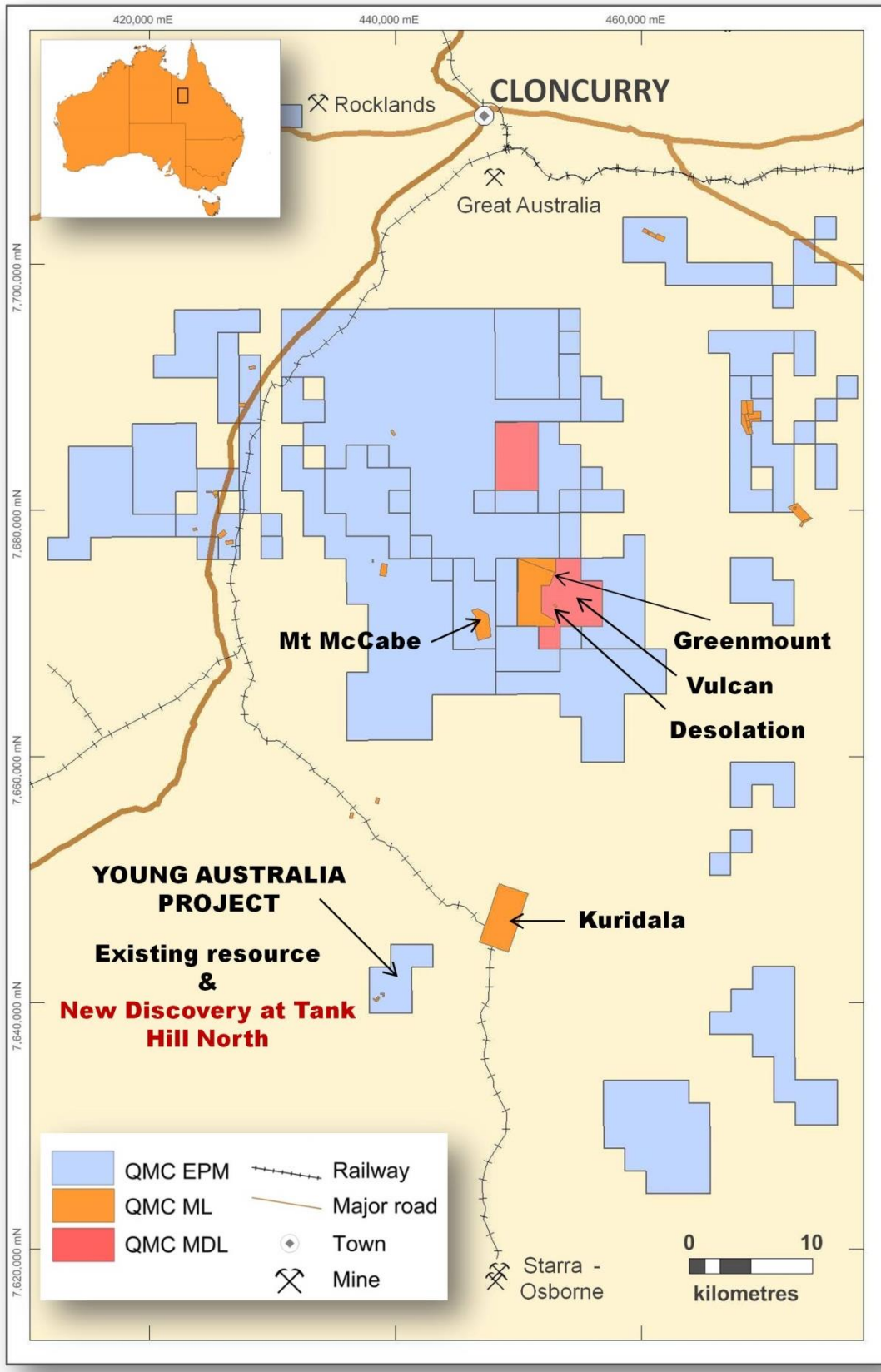


Figure 1 Regional location of the Young Australian project

Resources to apply for a mining lease over all or any part of these six sub-blocks for QMC within the timeframe of the agreement.

The prospect also forms part of the Company's White Range project and had been explored by QMC from 2008 to 2012. The recently completed drill program was mainly designed to test new targets within the optioned area with endeavor to make discovery which can significantly increase the existing resources in Young Australian.

The current drilling campaign is focused on three priority targets defined by both geological mapping and geochemical soil sampling within the six sub-blocks of EPM18912. They are designated as Tank Hill – Tank Hill North, East Drift and Dega located respectively to the east, northeast and north of the Young Australian pit (Figure 2). Details of the drillhole information are set out in Table 1 and their locations are shown in Figure 2.

Table 1 Drillhole details for the RC program at Young Australian

Hole ID	Easting (GDA)	Northing (GDA)	Azimuth (Grid)	Dip	Depth (m)	Type
YA15RC01	438891	7640890	127	-60	151	RC
YA15RC02	439167	7641129	307	-60	151	RC
YA15RC03	439259	7641264	307	-60	151	RC
YA15RC04	438750	7640130	296	-60	127	RC
YA15RC05	438884	7640350	306	-60	121	RC
YA15RC06	439473	7640918	135	-60	187	RC
YA15RC07	438555	7641899	136	-60	121	RC
YA15RC08	438597	7641758	10	-60	103	RC

Three (YA15RC04, 05 and 06) out of the 8 holes in the program were drilled into the Tank Hill – Tank Hill North structural and geochemical anomalous zone developed within the altered Answer Slate unit. The zone strikes northeast and dips steeply to sub-vertically for more than 1,500m long and 50-200m wide using a 300ppm copper-in-soil contour. Hole YA15RC06 is the best hole in the program and was collared in Tank Hill North, and drilled towards southeast against the strike of the target zone for 187m (Figure 2). This hole has returned very significant copper mineralization of **26m @ 1.56% Cu from 59m**, including a higher grade interval of **18m @ 2.10% Cu from 66m** and even higher grade intercept of **2.95% Cu over 10m from 69m**. This hole also reported an extremely broad cumulative intersection of **108m @ 0.60% Cu from 59m** (Figure 3). This is regarded as the widest mineralized interval in all the holes drilled so far in the Young Australian project. It was also worth noting that a strong cobalt mineralization zone was intersected towards the end of this hole with the assays being **8m @ 0.74% Cu and 1187ppm Co from 159m**. Visual examination of the drill cuttings suggests the copper mineralization is characterized by chalcocite and native copper.

Hole YA15RC04 was drilled at the southern part of the Tank Hill – Tank Hill North trend and is about 1,000m southeast of Hole YA15RC06. This hole was drilled towards northwest and angled at -60 degrees. Multiple low grade mineralisation zones were intersected with the best interval being **20m @ 0.45% Cu**, including a higher grade interval of **4m @ 0.96% Cu from 105m**.

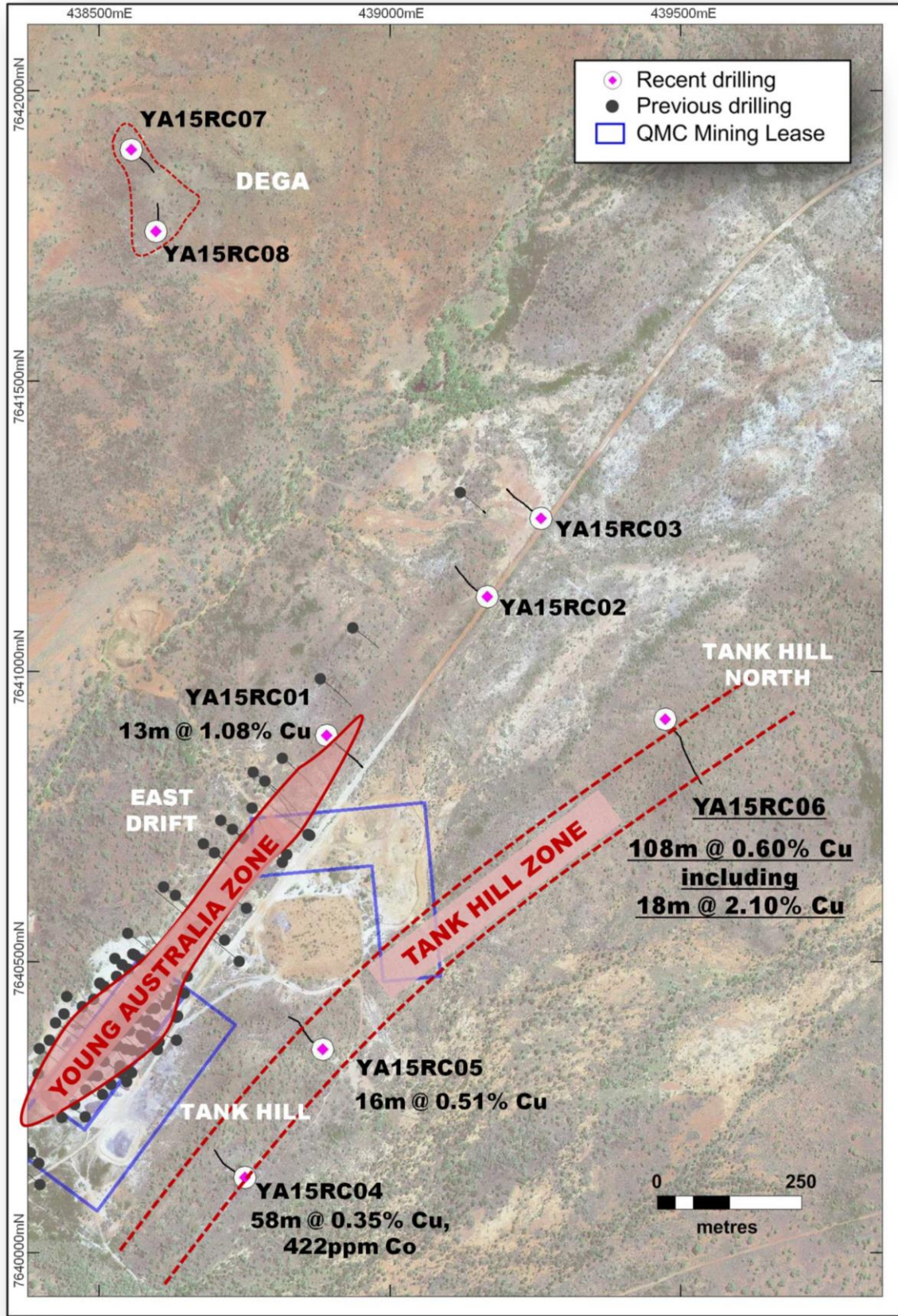


Figure 2 Drillhole location and the newly discovered mineralized trend in Young Australian

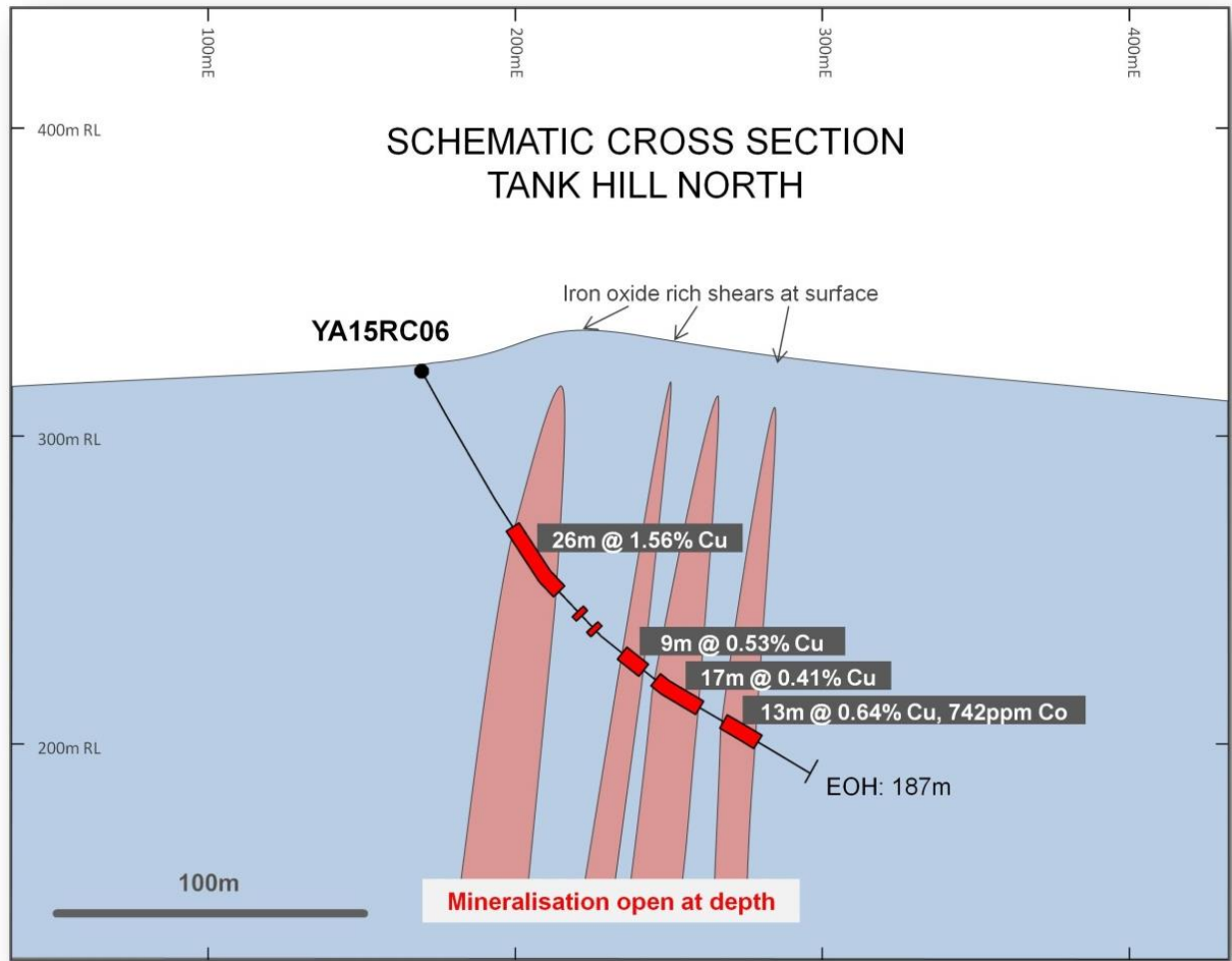


Figure 3 Cross section through Hole YA15RC06, showing the significant drill intercept and broad mineralised zone (looking northeast)

Strong cobalt mineralisation was also encountered with the assays **of 13m @0.35% Cu and 1094ppm Co from 88m**. This hole has reported a cumulative copper and cobalt zone up to **58m@ 0.35% Cu and 422ppm Co from 67m**, which indicates the significant width of mineralisation at the southern end of the Tank Hill trend. Hole YA15RC05 was collared between Holes YA15RC04 and YA15RC06 and about 250m to the northeast of YA15RC04 along strike. This hole reported **16m@ 0.51% Cu from 53m**, which demonstrates the continuity of mineralisation along the strike of the Tank Hill – Tank Hill North trend.

The above three holes (YA15RC04, 05 and 06) have outlined a new copper mineralization zone with strike length of more **1,000m and width of up to 100m** in Young Australian (Figure 2). This zone is separated from the existing Young Australian zone by at least 300m to the east. Further drilling will help to expand the mineralized intersections and to prove up the potential for resource estimation.

Three holes (YA15RC01, 02 and 03) were drilled into the East Drift target with aim to extend the Young Australian mineralized zone further up northeast along strike (Figure 2). The first hole

(YA15RC01) was drilled towards southeast and returned **13m @ 1.08% Cu from 52m**. A lower grade interval of 8m @ 0.35% Cu and 140ppm Co was also returned at 95m. This hole has successfully extended the Young Australian mineralization for another 50m along strike and the ore zone still remains open to northeast. Both Hole YA15RC02 and 03 were drilled towards northwest to test possible mineralization missed out by QMC's drill program in 2012. Despite the intersections of hydrothermal pyrite up to 10m wide in both holes but the drilling failed to intersect any copper mineralization.

The last two holes in the program (YA15RC07 and YA15RC08) were sited approximately 1.5km north of the Young Australian pit and were designed to test a copper soil anomaly associated extensive skarn type of alteration. Visible chalcopyrite disseminations were noticed from drill chips in Hole YA15RC08 but assays only report a geochemically anomalous level of copper values. No copper mineralization was found in Hole YA15RC07.

The selected drill intercepts for the drill program are summarized in Table 2. A follow-up RC drill program is currently being developed and is expected to commence towards the end of the current field season.

Table 2 Selected drill results from the RC program at Young Australian (using a 0.2% Cu cut-off grade and 3m internal dilution)

Hole ID	From (m)	To (m)	Interval (m)	Cu (%)	Ag (g/t)	Co (ppm)
YA15RC01	52	65	13	1.08		
	95	103	8	0.35		140
YA15RC04	22	27	5	0.41		
	67	82	15	0.40		219
	88	101	13	0.35		1094
	105	125	20	0.45		287
<i>Incl.</i>	105	109	4	0.96		568
YA15RC05	57	69	12	0.61		
YA15RC06	59	85	26	1.56	1.7	
<i>Incl.</i>	66	84	18	2.10	2.4	
<i>Incl.</i>	69	79	10	2.95	3.7	
	114	123	9	0.53		
	128	145	17	0.41		
	159	167	8	0.74		1187

For further details please contact:

Eddy Wu (CEO)

Tel: (+61 2) 8964 6411
Email: admin@qmcl.com.au

or visit our website at: www.qmcl.com.au

Competent Person's Statement:

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.

2012 JORC Code

Section 1 – Sampling Techniques and Data

Criteria	Explanation
<i>Drilling Techniques</i>	<ul style="list-style-type: none"> • Reverse circulation drilling using a custom built top head drive (Hydro RC5000 rotation head) mounted on a MAN Twin Steer Truck • 8 holes were drilled, for a total of 1,112m.
Sampling Techniques	<ul style="list-style-type: none"> • All drill samples were collected at 1 metre intervals • Drill samples were split using a cone splitter mounted on the drill rig • Average sample weight is about 3kg • Samples were pulverised to produce 30g charge for four acid digest for multi-elements and fire assay for gold
Drill sample recovery	<ul style="list-style-type: none"> • RC recovery is initially visually estimated based on the size of the green bags • Recovery was good, with relatively consistent sample size
Logging	<ul style="list-style-type: none"> • Drill chips were logged onto field sheets and later input into the computer connected with Company server in the site office. • Chips were sieved on regular 1m intervals and put into labelled chip trays • All chips were geologically logged • Chip trays are stored in the site office in Cloncurry
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • All samples were analysed using an Innov-X handheld XRF device to provide an estimate of the copper content. This data was used as a guideline only to assist with sampling. • A selection of samples were submitted to the laboratory for assay, based on a combination of the XRF results and geological logging • Assays will be conducted by ALS Global, Townsville laboratory, using standard procedures and standard laboratory checks. • All samples were analysed for a multi-element suite (ME-ICP61) including copper and cobalt. On return of copper values >1% a second series of analyses were undertaken with parameters optimised for high concentrations (Cu-OG62). A selection of samples were also analysed for gold (Au-AA25). • The four acid digest used in ME-ICP61 is considered to be a 'near-total' digest. • Sample preparation is consistent with industry standard practice

	<ul style="list-style-type: none"> The sample sizes are appropriate for the material being sampled
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"> 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 splitting the calico where possible, or spear sampling the green plastic bag OREAS standards were sourced from Ore Research & Exploration Ltd A total of 24 standards with various values, 6 duplicates and 6 blanks were used for the drill program
Verification of sampling and assaying	<ul style="list-style-type: none"> Significant mineralisation intersections will be 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 Down hole surveys were taken every 30m using a Cameq Single Shot Digital Camera 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 No sample compositing has been applied
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Drill holes were designed to intersect the mineralized structures with minimal depth Drilling orientation was proposed to be approximately perpendicular to the strike of mapped mineralised zones
Sample security	<ul style="list-style-type: none"> Sample bags were packed in batches into polyweave bags and then wrapped onto pallets for transport Samples were transported to the laboratory in Townsville by NQX
Audits or reviews	<ul style="list-style-type: none"> Audit of sampling techniques and data will be performed In-house review of QAQC for laboratory assays will be undertaken

Section 2 – Reporting of Exploration Results

Criteria	Explanation
<i>Mineral Tenement and Land Tenure Status</i>	<ul style="list-style-type: none"> • 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 • The four MLs are 100% owned by QMC's subsidiary North Queensland Mines Pty Ltd. ML7511 comprises 3 ha and expires 31/10/2022. ML7512 is 2 ha, expiry 31/10/2022. ML90084 is 5ha, expiry 30/04/2017. ML90099 is 5ha, expiry 31/05/2016. • EPM 18912 is owned by Chinova Resources. QMC is operating under a joint venture agreement with Chinova and has exclusive exploration rights of six sub-blocks until June 2017.
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"> • MIM, Carpentaria (1963 – 1997): geological mapping, geophysical surveys, and drilling at Tank Hill, Main pit area, Hidden Treasure prospects • BHP (1973 – 1975): geological mapping, soil sampling • CRAE (1975 – 1976): steam sediment sampling, rock chip sampling • 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. • Additional licenses have been held in the past, but work was focused outside the current area
Geology	<ul style="list-style-type: none"> • The Young Australian 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.

	<ul style="list-style-type: none"> • The Tank Hill, Tank Hill North, East Drift, and Hidden Treasure prospects are also thought to have potential for shear-hosted copper mineralisation and also occur within the Answer Slate • 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.
Drill hole information	<ul style="list-style-type: none"> • Full drill collar details, including coordinates, orientation, and final depth, are provided in Table 1 of the announcement
Data aggregation method	<ul style="list-style-type: none"> • No weighting, truncations, aggregates, or metal equivalents were used • Standard intercepts were calculated using a 0.2% copper cut-off. A maximum of consecutive 3m of below 0.2% samples were allowed within each intercept.
Relationship between mineralisation widths and interception lengths	<ul style="list-style-type: none"> • The relationship between the mineralisation width and interception lengths is not known at this early stage of exploration.
Diagrams	<ul style="list-style-type: none"> • See Figure 2 & 3 of this report
Balanced reporting	<ul style="list-style-type: none"> • The accompanying document is considered to represent a balanced report
Other substantive exploration data	<ul style="list-style-type: none"> • Refer to body of report for additional geological observations
Further work	<ul style="list-style-type: none"> • Additional drilling is proposed at the Tank Hill and Tank Hill North prospects