Queensland Mining Corporation Limited
ABN: 61 109 962 469
ASX Code: QMN
Phone: +61(2) 9267 8932
Fax: +61(2) 9269 0076
Web: www.qmcl.com.au
Address: Suite 2004, Level 20, 201 Elizabeth Street, Sydney, NSW 2000

Quarterly Report

For the period ended 30 June 2016

20 July 2016

HIGHLIGHTS

Operations

- The highlight of the exploration activities for the current quarter includes completion of 10 RC holes for a total of 1,028m in the Copper Canyon prospect.
- The drilling has returned significant copper mineralisation with gold and cobalt credits plus the first occurrence of high grade molybdenum mineralisation, including:

  37m @ 0.78% Cu, 0.50g/t Au and 976ppm Co from 54m, *including*
  8m @ 2.27% Cu, 1.61g/t Au and 1,237ppm Co from 59m in Hole CC16RC01

  67m @ 0.52% Cu, 0.24g/t Au and 767ppm Co from 34m, *including*
  10m@ 1.23% Cu, 0.83g/t Au and 847ppm Co from 84m in Hole CC16RC03

  9m @ 1.02% Cu, 0.47g/t Au and 268ppm Co from 58m, *including*
  3m @ 2.37% Cu, 1.13g/t Au and 261ppm Co from 60m in Hole CC16RC10

  7m @ 3.0% Mo, 0.94g/t Au and 8.0g/t Re from 46m, *including*
  3m @ 6.36% Mo, 1.98g/t Au and 17.1g/t Re from 46m in Hole CC16RC06
- Geological mapping over the broader Copper Canyon area has identified another important structural feature to the west, which may host potential mineralisation.
- RAB drilling and termite mound soil sampling have been planned to generate new targets for further drill testing in the next quarter.

Corporate

- The Company continue the dialog with several parties for potential joint venture opportunities and divestment of non-core assets. One site visit was made during the quarter.
- The Sydney head office was relocated during the quarter.
- A one for one Rights Issue was announced on 16 June 2016.
- Mr Renshaw lodged an appeal to the bankruptcy order.

Exploration Activities Report

Exploration activities undertaken in the current quarter consist mainly of the completion of 10 RC holes for a total of 1,028m in the Copper Canyon prospect located approximately 25km south of Cloncurry (Figure 1). The drilling has returned broad zones of ore grade copper mineralisation with significant gold and cobalt values. In addition, high grade molybdenum mineralisation was first intersected at Copper Canyon.

Other exploration work carried out during the quarter includes geological mapping over the broader Copper Canyon area and planning a RAB drilling program to unveil the geochemical anomalism under cover plus the commencement of a termite mound based soil sampling program. Details of the activities are presented as the followings.

Copper Canyon (MDL204)

1. Introduction

The Copper Canyon prospect falls within the Company's 100% owned MDL204 in south Cloncurry. This MDL is one of the several tenements (5 EPMs, 2 MDLs and 9 MLs) which collectively comprise the Company's flagship White Range project.

The ground held under MDL204 has seen intermittent exploration since the 1980s by a number of companies including Valdora Minerals, Homestake Australia, Majestic Resources and Matrix Metals. As part of a joint venture with Valdora Minerals covering a larger area in the White Range project, Homestake Australia Ltd undertook extensive exploration work throughout the tenement from 1986 to 1996. Of particular importance, 37 RC holes and 1 diamond holes were drilled in 1992 in north Copper Canyon and significant copper mineralisation including 56m@ 1.58% Cu and 0.7g/t Au from 64m in Hole CCNRC27 was reported. However, due to the exploration rationale of Homestake Australia being to target large scale gold deposits, not all holes were assayed for copper. In addition, cobalt was not analysed in all the drill and soil samples.

MDL 204 lies on the eastern flank of the Marimo Basin, a poorly understood tectonic feature within the eastern succession of the Proterozoic Mt Isa Inlier. The Marimo Basin appears to be a synclinal structure about 30 km in an N-S direction and 20 km wide. It straddles the northern extension of a major north-south tectonic corridor along which lie the Mt Stuart, Selwyn, Mt Elliott, Mt Dore, Kuridala, Greenmount and Mt McCabe Copper deposits.

The Marimo Slate is the principal formation occupying the Marimo Basin. This Formation is part of the Mary Kathleen Group, which also includes the underlying Staveley Formation, Corella Formation and Overhang Jaspilite. The Marimo slates are overlain unconformably by the Roxmere Quartzite.

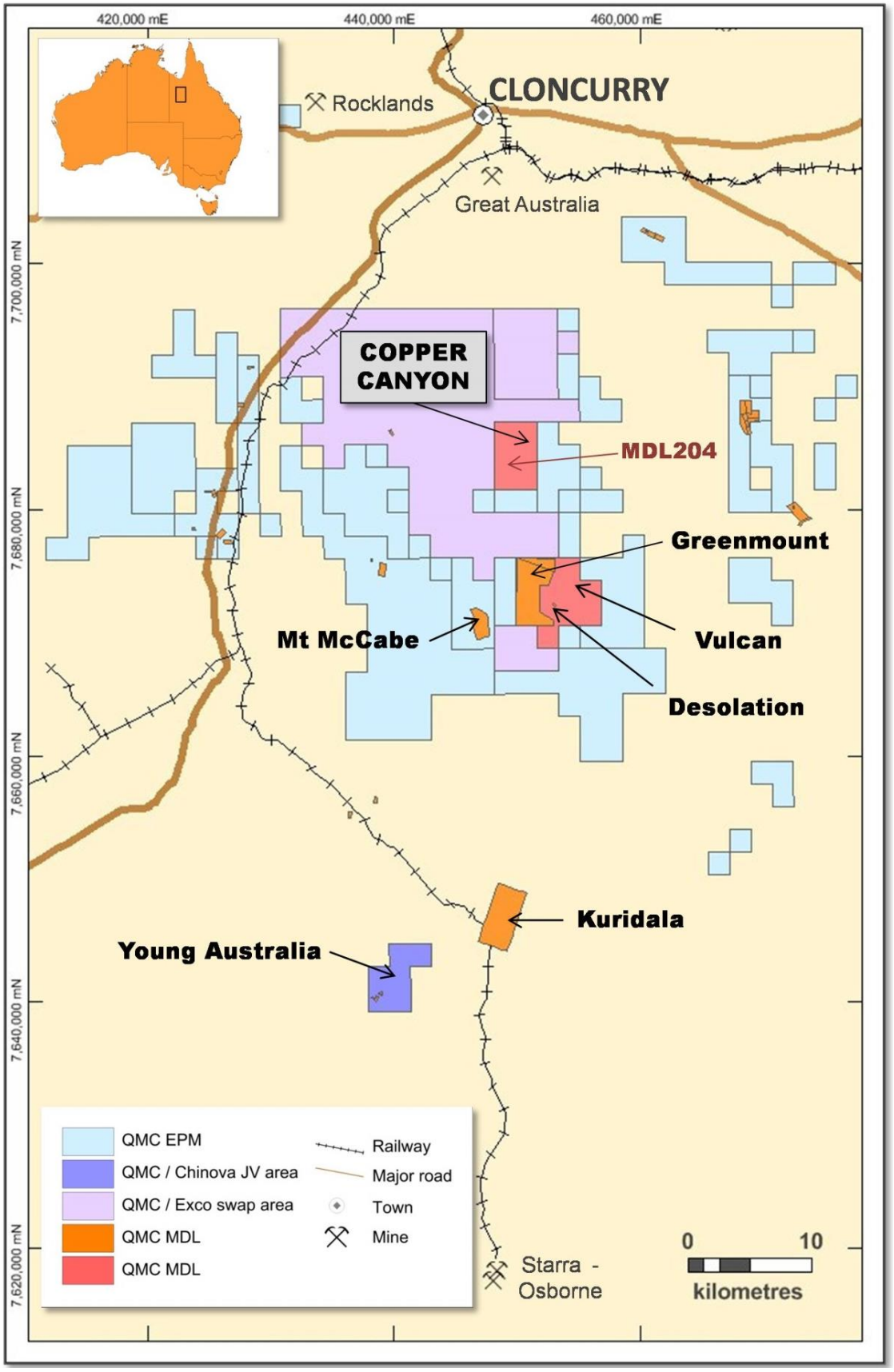

Figure 1 Regional location of the Copper Canyon prospect

The Copper Canyon prospect is situated in northeast MDL204. The local geology is dominated by NNW-SSE striking Staveley Formation sandstone in the east and the Marimo slate in the west. Known mineralization occurs along the stratigraphic contact but mainly constrained within the altered Marimo slate unit in the form of malachite-chalcocite-bornite veins, stockworks, breccia matrices and disseminations.

Previous drilling undertaken by Homestake, Majestic Resources and Matrix Metals reported significant intersections but the mineralization revealed is highly variable both along strike and down dip. The drilling orientation is based on the interpretation of a synclinal structure for the Copper Canyon area and hence almost all the holes were drilled towards east. QMC's recent structural interpretation is an imbricate thrust fault system, which controls the multiple zones or lenses of copper mineralization in Copper Canyon. In addition, Homestake's drillholes were primarily sited for gold targets and copper was not their main focus.

2. RC Drilling

The current drill program consists of 10 holes for a total of 1,028m. Also, 9 out of 10 holes were drilled towards southwest and all the holes were angled at -60 degrees. Hole CC16RC02, the second hole in the program, was abandoned at 77m depth due to poor ground conditions. 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 Copper Canyon

Hole ID	Easting (GDA)	Northing (GDA)	Azimuth (Grid)	Dip	Depth (m)
CC16RC01	450379	7686578	240	-60	101
CC16RC02	450397	7686591	240	-60	77
CC16RC03	450365	7686605	240	-60	120
CC16RC04	450350	7686621	240	-60	101
CC16RC05	450370	7686638	60	-60	96
CC16RC06	450377	7686635	240	-60	107
CC16RC07	450393	7686559	240	-60	114
CC16RC08	450448	7686508	240	-60	102
CC16RC09	450650	7686049	250	-60	108
CC16RC10	450407	7686372	240	-60	102

The purpose of the current drill program was to test a new geological model developed for the Copper Canyon prospect. Contrary to the previous understanding of an overall west-dipping synclinal sequence, QMC has re-interpreted the local structure as a west – directed thrust system with the main thrust plane sitting between the Staveley Formation and the underlying Marimo slate. These thrust faults and associated secondary imbricate faults along with NE-SW cross faults played critical role in the formation and distribution of copper-gold-cobalt mineralization in Copper Canyon. Previous drilling undertaken by other companies mainly in the 1990s reported significant intersections but the mineralization revealed is highly variable both along strike and down dip. The drilling orientation is almost all towards northeast in accordance with their structural interpretation.

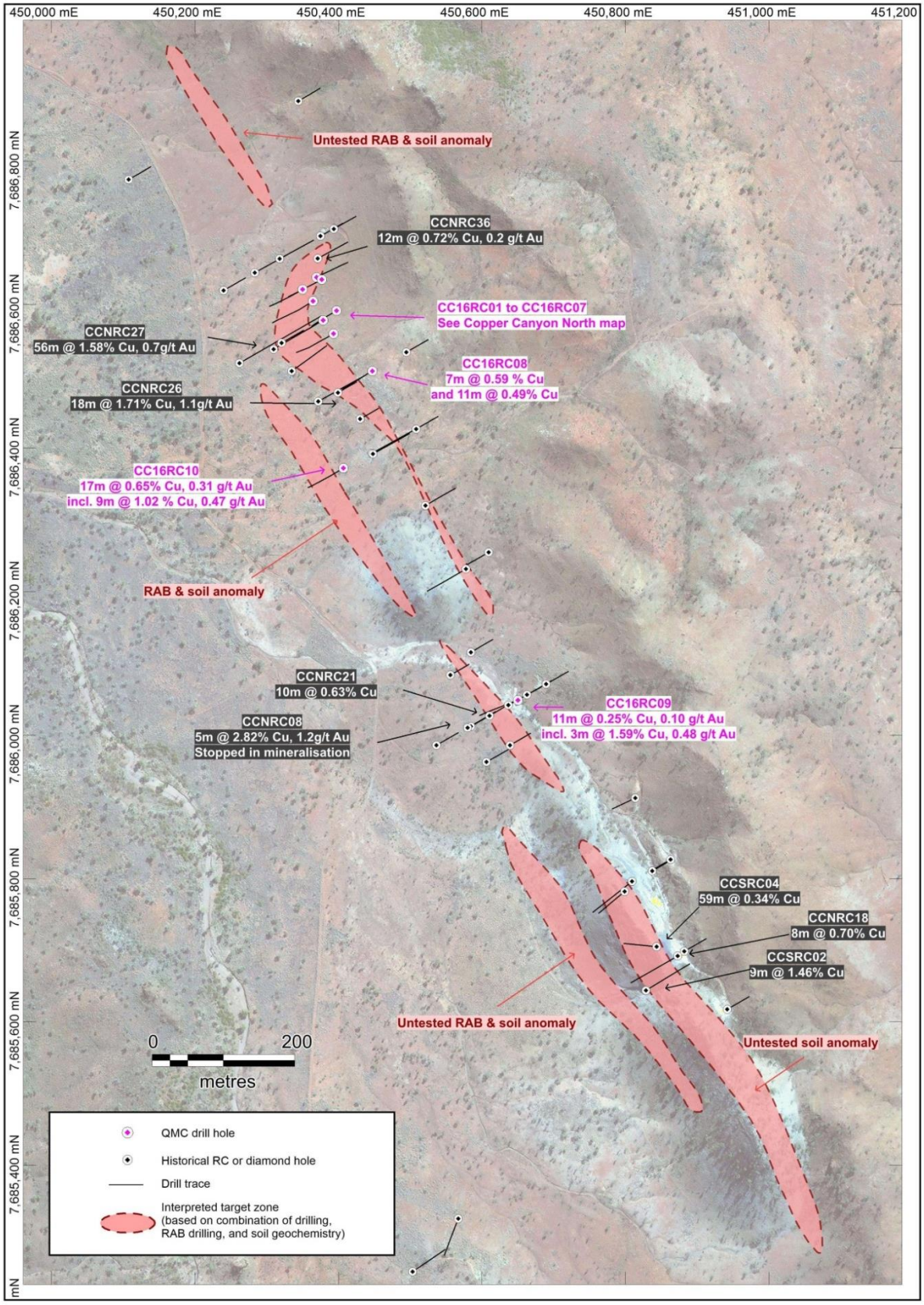

Figure 2 Drillhole location in Copper Canyon

Assay results have returned broad intervals of high grade copper mineralization with significant gold and cobalt credits at shallow depths (Table 2). The best hole in the program is CC16RC01, which was drilled about 80m northeast of the best Homestake hole in 1992 (56m@1.58% Cu and 0.71g/t Au from 64m in Hole CCNRC27) but at an opposite direction, intersecting ***37m@ 0.78% Cu, 0.50g/t Au and 976ppm Co from 54m*** plus a higher grade interval of ***8m@ 2.27% Cu, 1.61g/t Au and 1,237ppm Co from 59m***. The narrower intercept from the current drilling confirms the dip direction of the interpreted mineralisation zone (Figure 3).

Table 2 Selected drill results from the RC program at Copper Canyon (*using a 0.2% Cu cut-off grade and 3m internal dilution; 0.1% Mo cut-off)*

Hole ID	From (m)	To (m)	Interval (m)	Cu (%)	Au (g/t)	Co (ppm)	Mo (%)
CC16RC01	54	91	37	0.78	0.50	976	
Incl.	59	67	8	2.27	1.61	1237	
CC16RC03	34	101	67	0.52	0.24	767	
Incl.	84	94	10	1.23	0.83	847	
CC16RC10	58	67	9	1.02	0.47	268	
Incl.	60	63	3	2.37	1.13	261	
CC16RC06	46	53	7		0.94		3.0
Incl.	46	49	3		1.98		6.36

The second best hole in the program is CC16RC03. It was drilled about 30m northwest of Hole CC16RC01 along strike with an aim to test the extension of mineralisation intersected in the historical hole CCNRC27. This hole reports ***67m@ 0.52% Cu, 0.24g/t Au and 767ppm Co from 34m***, including a higher grade of ***10m@ 1.23% Cu, 0.83g/t Au and 847ppm Co from 84m***. The mineralisation envelope, if using 0.1% Cu as cut-off, has reached as wide as 70m averaging 0.50% Cu, 0.24g/t Au and 739ppm Co from 31m, being the broadest intercept in the current drill program (Figure 4).

Of particular interest, Hole CC16RC06 returned ***7m@ 3.0% Mo, 0.94g/t Au and 8.0g/t Re from 46m***, including a very high grade of ***3m@ 6.36% Mo, 1.98g/t Au and 17.1g/t Re from 46m.*** This hole was sited about 55m to the northeast of Hole CC16RC01 along strike and also intersected broad low grade copper mineralisation above and below the molybdenum zone. As only one hole was drilled into this newly discovered molybdenum mineralisation zone and hence the zone remains open in all directions. Follow up drilling is deemed necessary to define the occurrence and extension of this molybdenum mineralisation zone in Copper Canyon.

The drilling has justified the new geological model for Copper Canyon and proved up a continuous mineralised zone of up to 100m long and 30m wide in the northern part of the prospect (Figure 4). Further drilling in terms of RC and diamond core will be planned and expected to commence in the next quarter.

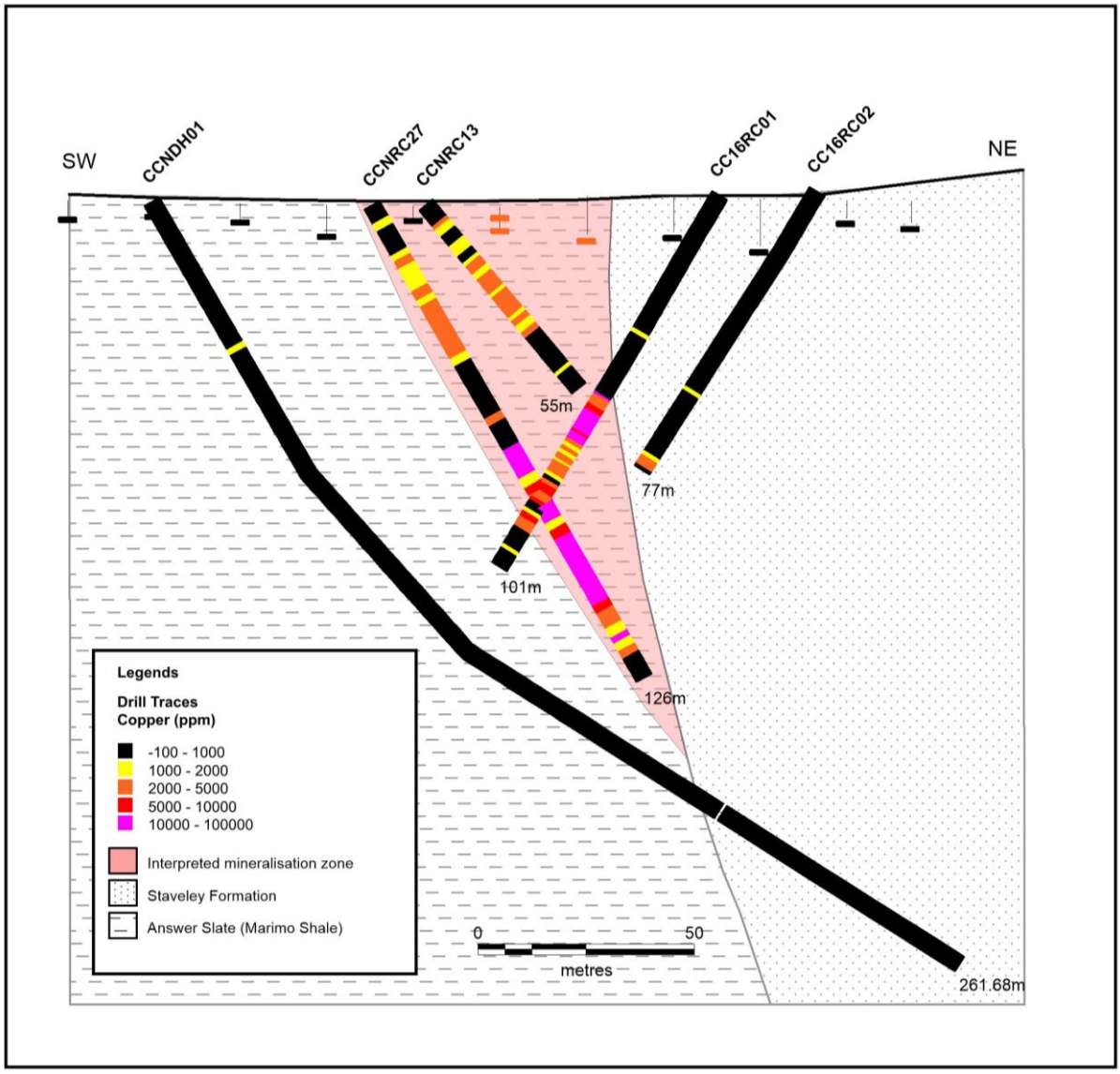

Figure 3 Cross section through current Hole CC16RC01 and historical holes, showing the occurrence of defined mineralisation (looking northwest)

3. Geological Mapping

During the quarter QMC have completed geological mapping within the broader Copper Canyon prospect, covering an area of approximately 1.5 (E-W) x 4 (N-S) km. This work has defined a lens of Marimo slate surrounded by Staveley Formation (Figure 5), which is interpreted to have formed as a result of a series of interweaving, possibly folded, thrust faults. Mineralisation is thought to occur within secondary faults preferentially developed within the Marimo slate. Mineralisation is also often close to the Marimo-Staveley contact, possibly due to a redox change.

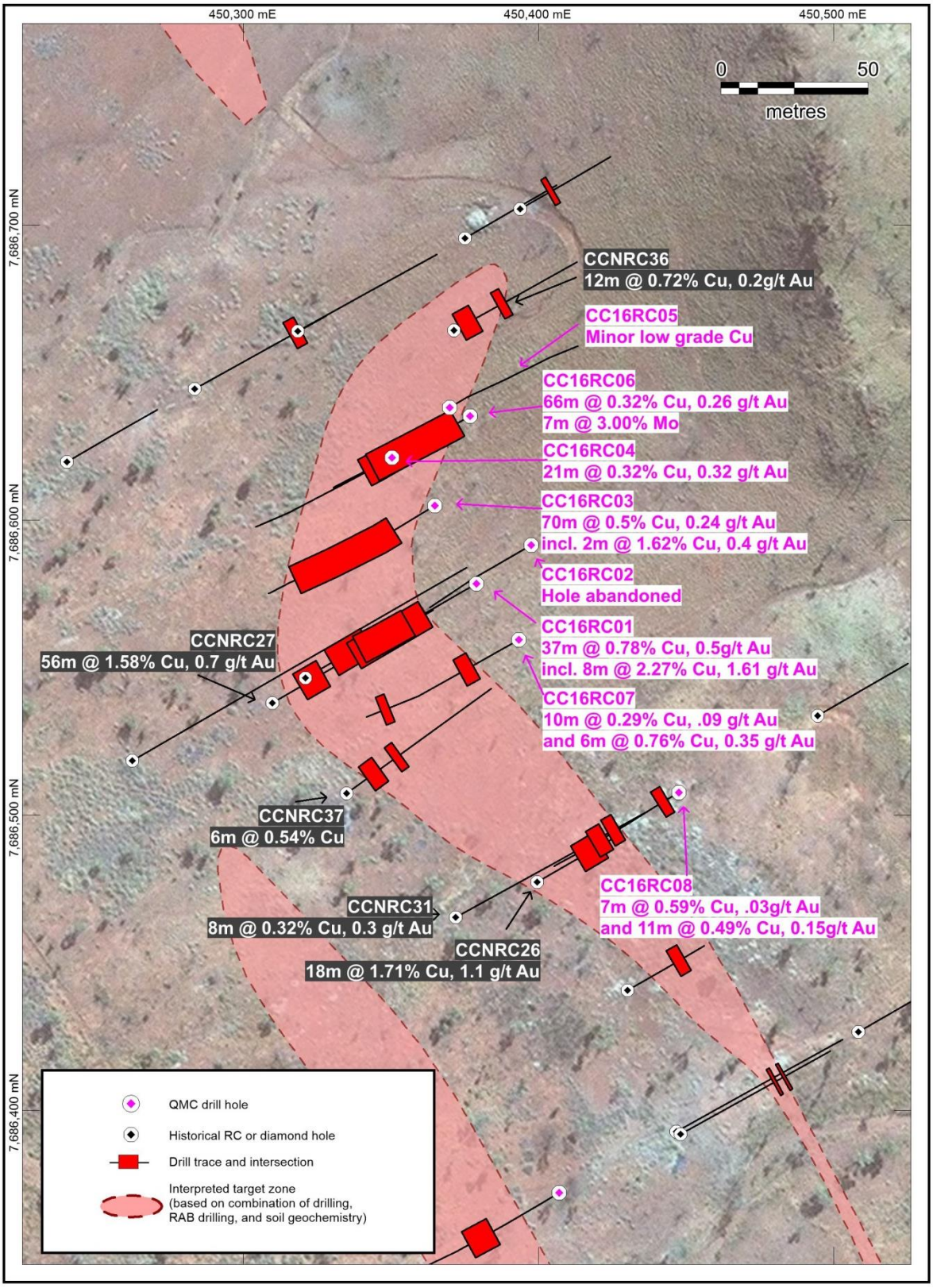

Figure 4 Copper mineralisation zones defined in Copper Canyon

The majority of previous work has focused on the eastern margin of the Copper Canyon prospect. Mapping has outlined a second Marimo-Staveley contact on the western margin of the prospect, with several small malachite occurrences identified on isolated outcrops. The bulk of the contact however is under either alluvial cover or scree. QMC is therefore planning a combined termite mound sampling program and RAB program to provide consistent geochemical coverage over this contact.

RAB drilling has been used successfully in this area in the past by Homestake in the 1990s. The proposed program at Copper Canyon will consist of 336 holes, spaced at 20m with 200m line spacings. It is estimated that the holes will need to be drilled to between 4 and 10m in order to penetrate through to bedrock. Termite sampling will be completed on the western slope where topography is too steep for RAB drilling and soil sampling is unlikely to be successful due to the amount of scree. The proposed termite sampling program consists of 320 samples, spaced at 20m, with 100m line spacings. Termite sampling has already commenced and RAB drilling is expected to start in late July. Work of this type will help define new targets under the alluvial and scree cover prior to testing by RC and diamond rigs for possible new discovery of copper in Copper Canyon.

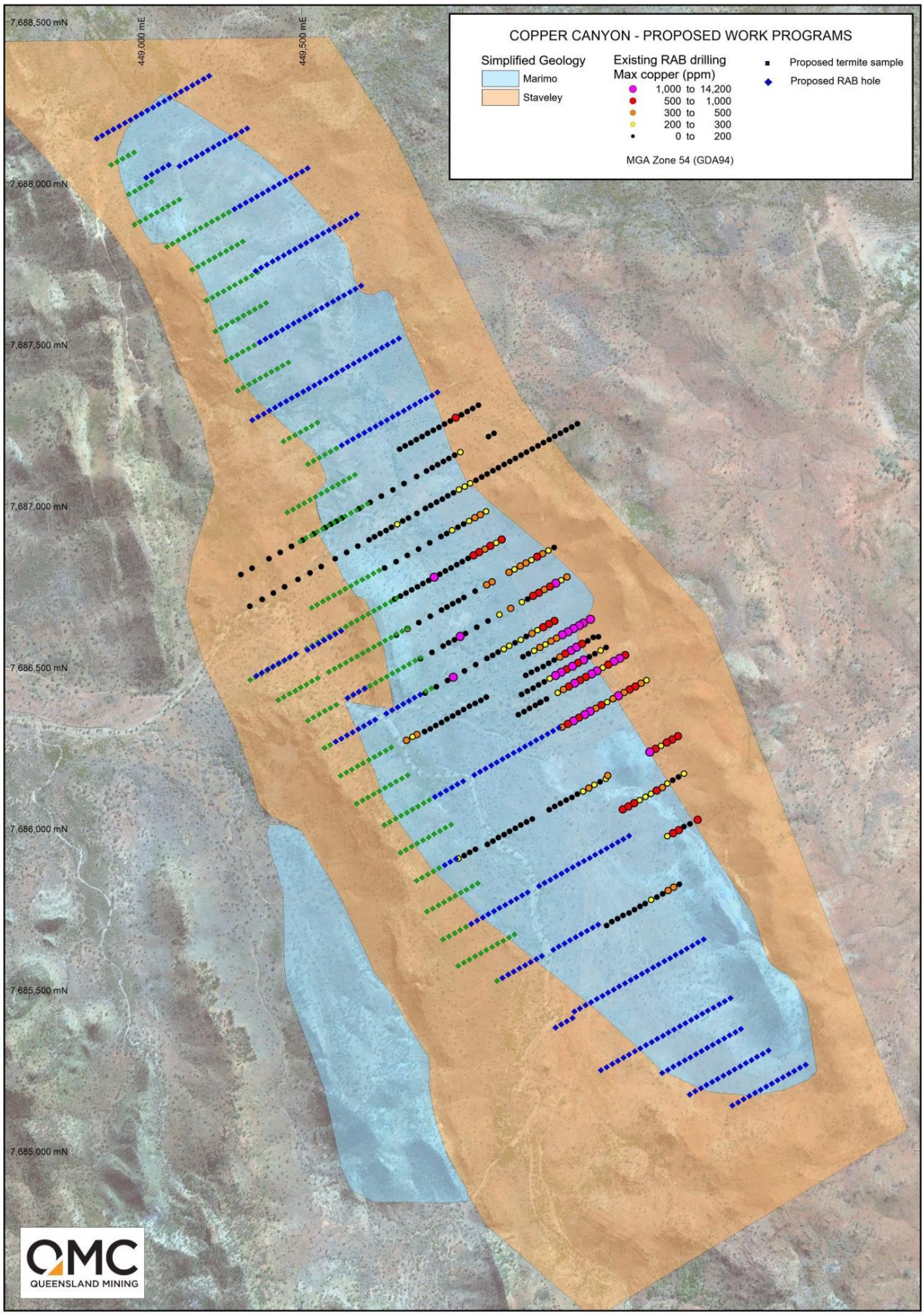

Figure 5 Newly constructed geological map for the Copper Canyon prospect and proposed RAB holes

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. Various discussions have also been made with one party who is interested in taking up some of the Company's non-core assets in a possible consideration of both shares and cash.

The Sydney head office was relocated on 20 May 2016 to:
Suite 2004, level 20,
201 Elizabeth Street, Sydney,
NSW 2000.

Telephone: (02) 9267 8932
Fax: (02)9269 0076

On 16 June 2016, the Company announced a one for one non-renounceable entitlement issue of 1,760,573,636 new shares issuing at $0.004 per share in order to raise approximately $7.04 million. The offer is now open for application and the closing date of the offer is 29 July 2016.

Mr Renshaw has lodged an appeal to the bankruptcy order delivered by the Federal Circuit Court of Australia in April 2016. The hearing of his appeal is expected to be held between 31 October and 25 November 2016.

For further details please contact:

Mr Eddy Wu
CEO
Tel: 02 9267 8932
Email: Admin@qmcl.com.au

Competent Persons Statement

The information in this report that relates to Exploration Results 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.

Rule 5.5

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	Quarter ended ("current quarter")
61 109 962 469	30 June 2016

Consolidated statement of cash flows

	Cash flows related to operating activities	Current quarter $A'000	Year to date (12 months) $A'000
1.1	Receipts from product sales and related debtors		
1.2	Payments for (a) exploration & evaluation	(259)	(1,970)
	(b) development		
	(c) production		
	(d) administration	(144)	(593)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	6	67
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Other (provide details if material)		
	-GST refund	16	98
	-R&D incentive	84	84
	-Payroll & PAYG Tax paid	(24)	(125)
	Net Operating Cash Flows	(321)	(2,439)
	Cash flows related to investing activities		
1.8	Payment for purchases of: (a) prospects		
	(b) equity investments		
	(c) other fixed assets		(52)
1.9	Proceeds from sale of: (a) Tenements	11	71
	(b) equity investments		
	(c) other fixed assets	20	20
1.10	Loans to other entities		
1.11	Loans repaid by other entities		
1.12	Other (provide details if material)		
	-Joint Venture		
	Net investing cash flows	31	39
1.13	Total operating and investing cash flows (carried forward)	(290)	(2,400)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(290)	(2,400)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.		
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (provide details if material)		
	Net financing cash flows	0	0
	Net increase (decrease) in cash held		
1.20	Cash at beginning of quarter/year to date	1,253	3,363
1.21	Exchange rate adjustments to item 1.20		
1.22	**Cash at end of quarter**	963	963

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	71
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	25
Payment to Jun Qiu	
- Director fee	12
Payment to Joyce Wang which Joyce Wang is an alternate Director	
- Accounting and taxation services	10

Non-cash financing and investing activities

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

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

Financing facilities available

Add notes as necessary for an understanding of the position.

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

Estimated cash outflows for next quarter

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

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	162	52
5.2	Deposits at call	300	500
5.3	Bank overdraft	-	-
5.4	Other Online Saving Account	501	701
	Total: cash at end of quarter (item 1.22)	963	1,253

+ See chapter 19 for defined terms.

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	EPM15031, QLD EPM18626, QLD EPM18627, QLD EPM19166, QLD EPM18476, QLD EPM17246, QLD EPM17922, QLD EPM19149, QLD EPM19150, QLD EPM19165, QLD EPM19167, QLD	EPM EPM EPM EPM EPM EPM EPM EPM EPM EPM EPM	100% 100% 100% 100% 100% 100% 100% 100% 100% 100% 100%	0 0 0 0 0 0 0 0 0 0 0
6.2	Interests in mining tenements and petroleum tenements acquired or increased				

Issued and quoted securities at end of current quarter

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

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	**Preference +securities** *(description)*				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	**+Ordinary securities**	1,760,573,636	1,760,573,636		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				

+ See chapter 19 for defined terms.

7.5	**+Convertible debt securities** (*description)*				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	**Options** *(description and conversion factor)*	20,000,000 options (1 option for 1 ordinary share)	Nil	*Exercise price* $0.01	*Expiry date* 30 June 2018
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	**Debentures** *(totals only)*				
7.12	**Unsecured notes** *(totals only)*				

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).

2 This statement does /does not* *(delete one)* give a true and fair view of the matters disclosed.

Sign here: ..... Date: 20 July 2016
Company secretary

Print name: Pipvide Tang

+ See chapter 19 for defined terms.

Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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Appendix 1 QMC Tenement Schedule as at 30 June 2016

Tenement Name	Tenement Number	Location	Interest at Beginning Quarter	Interest at End Quarter	Acquired during Quarter	Disposed during Quarter	JV Partner/Farm-in Party
Cloncurry South	**EPM 13336**	NW QLD	100%	100%	-	-	
White Range #1	**EPM 14148**	NW QLD	100%	100%	-	-	
White Range #2	**EPM 14163**	NW QLD	100%	100%	-	-	
White Range #4	**EPM 14475**	NW QLD	100%	100%	-	-	
White Range #6	**EPM 15031**	NW QLD	100%	0%	-	Surrendered	
Tommy Creek	**EPM 15706**	NW QLD	100%	100%	-	-	
Duck Creek South	**EPM 15718**	NW QLD	100%	100%	-	-	
Kuridala South	**EPM 15740**	NW QLD	Exclusive exploration right	Exclusive exploration right	-	-	Exco Resources
Sunny Mount	**EPM 15858**	NW QLD	100%	100%	-	-	
Mt Norma	**EPM 15879**	NW QLD	100%	100%	-	-	
White Range Consolidated	**EPM 15897**	NW QLD	100%	100%	-	-	
Jessievale	**EPM 16078**	NW QLD	100%	100%	-	-	
Mt Brownie	**EPM 16628**	NW QLD	100%	100%	-	-	
Mt Sheaffer	**EPM 16976**	NW QLD	100%	100%	-	-	
Pigeon South	**EPM 17246**	NW QLD	100%	0%	-	Sold	
Top Camp	**EPM17602**	NW QLD	85%	85%	-	-	Findex
Mt Norma West	**EPM 17922**	NW QLD	100%	0%	-	Surrendered	
Flamingo West	**EPM 18106**	NW QLD	100%	100%	-	-	
Elder Creek	**EPM 18286**	NW QLD	100%	100%	-	-	
Slaty Creek	**EPM 18440**	NW QLD	100%	100%	-	-	
Gum Creek	**EPM18476**	NW QLD	100%	0%	-	Surrendered	
Corner Creek North	**EPM18626**	NW QLD	100%	0%	-	Surrendered	
Corner Creek South	**EPM18627**	NW QLD	100%	0%	-	Surrendered	
Gold Reef Dam	**EPM 18663**	NW QLD	100%	100%	-	-	
WEDGETAIL	**EPM 18912**	NW QLD	100%	100%	-	-	

Elder Creek East	**EPM 19149**	NW QLD	100%	0%	-	Surrendered	
Turpentine Creek	**EPM 19150**	NW QLD	100%	0%	-	Surrendered	
Weatherly Creek South	**EPM 19165**	NW QLD	100%	0%	-	Surrendered	
Surprise Creek	**EPM 19166**	NW QLD	100%	0%	-	Surrendered	
Weatherly Creek North	**EPM 19167**	NW QLD	100%	0%	-	Surrendered	
Jackeys Creek	**EPM25669**	NW QLD	100%	100%	-		
Copper Canyon East	**EPM25849**	NW QLD	100%	100%	-	-	
Strathfield	**EPM26011**	NW QLD	100%	100%	-	-	
COPPER CANYON	**MDL 204**	NW QLD	100%	100%	-	-	
GREENMOUNT	**MDL 205**	NW QLD	100%	100%	-	-	
MOUNT NORMA	**ML2506**	NW QLD	100%	100%	-	-	
SOUTHERN CROSS	**ML2510**	NW QLD	100%	100%	-	-	
ANSWER	**ML 2517**	NW QLD	100%	100%	-	-	
WINSTON CHURCHILL	**ML 2518**	NW QLD	100%	100%	-	-	
VULCAN	**ML 2519**	NW QLD	100%	100%	-	-	
SALLY	**ML 2535**	NW QLD	100%	100%	-	-	
DULCE	**ML 2537**	NW QLD	100%	100%	-	-	
BELFAST	**ML 2540**	NW QLD	100%	100%	-	-	
BELGIUM	**ML 2541**	NW QLD	100%	100%	-	-	
JACKLEY	**ML 2543**	NW QLD	100%	100%	-	-	
DULCE EXTENDED NO 2	**ML 2544**	NW QLD	100%	100%	-	-	
DANDY	**ML 2548**	NW QLD	100%	100%	-	-	
TRUMP	**ML 2549**	NW QLD	100%	100%	-	-	
MOUNT NORMA NO 2	**ML 2550**	NW QLD	100%	100%	-	-	
MOUNT NORMA NO 3	**ML 2551**	NW QLD	100%	100%	-	-	
GILDED ROSE	**ML 2709**	NW QLD	100%	100%	-	-	
BUTTON	**ML 2711**	NW QLD	100%	100%	-	-	
GILDED ROSE EXTENDED EAST	**ML 2713**	NW QLD	100%	100%	-	-	
GILDED ROSE EXTD WEST	**ML 2718**	NW QLD	100%	100%	-	-	
GILT EDGE EXTENDED EAST 1	**ML 2719**	NW QLD	100%	100%	-	-	
MT FREDA	**ML 2741**	NW QLD	100%	100%	-	-	

EVENING STAR	**ML 2742**	NW QLD	100%	100%	-	-	
EVENING STAR NORTH EXT	**ML 2750**	NW QLD	100%	100%	-	-	
MT FREDA EXTENDED	**ML 2752**	NW QLD	100%	100%	-	-	
EVENING STAR NORTH	**ML 2763**	NW QLD	100%	100%	-	-	
NEW DOLLAR	**ML 2777**	NW QLD	100%	100%	-	-	
HORSESHOE	**ML 2778**	NW QLD	100%	100%	-	-	
MOUNTAIN MAID	**ML 2779**	NW QLD	100%	100%	-	-	
TOP CAMP NO 5 (TWO MILE)	**ML 2788**	NW QLD	100%	100%	-	-	
LITTLE BEAUTY	**ML 7498**	NW QLD	100%	100%	-	-	
YOUNG AUSTRALIAN 2	**ML 7511**	NW QLD	100%	100%	-	-	
YOUNG AUSTRALIAN	**ML 7512**	NW QLD	100%	100%	-	-	
YOUNG AUSTRALIAN 2	**ML 90081**	NW QLD	100%	100%	-	-	
MT MCCABE	**ML 90082**	NW QLD	100%	100%	-	-	
STUART	**ML 90083**	NW QLD	100%	100%	-	-	
YOUNG AUSTRALIAN EXTENDED	**ML 90084**	NW QLD	100%	100%	-	-	
CHINAMEN	**ML 90088**	NW QLD	100%	100%	-	-	
AUSTRALIAN	**ML 90099**	NW QLD	100%	100%	-	-	
NEW SNOW BALL	**ML 90103**	NW QLD	100%	100%	-	-	
MOSSY'S DREAM	**ML 90104**	NW QLD	100%	100%	-	-	
GREENMOUNT	**ML 90134**	NW QLD	100%	100%	-	-	
EVA	**ML 90147**	NW QLD	100%	100%	-	-	
MOUNT TIMBEROO	**ML 90148**	NW QLD	100%	100%	-	-	
MT MCNAMARA	**ML 90149**	NW QLD	100%	100%	-	-	
PHIL'S FIND	**ML 90161**	NW QLD	100%	100%	-	-	
MT NORMA SURROUND 1	**ML 90172**	NW QLD	100%	100%	-	-	
MT NORMA SURROUND 2	**ML 90173**	NW QLD	100%	100%	-	-	
MT NORMA SURROUND 3	**ML 90174**	NW QLD	100%	100%	-	-	
MT NORMA SURROUND 4	**ML 90175**	NW QLD	100%	100%	-	-	
MT NORMA	**ML 90176**	NW QLD	100%	100%	-	-	

SURROUND 5							
MT DEBBIE	**MC 4348**	NW QLD	100%	100%	-	-	
MT DEBBIE 2	**MC 4349**	NW QLD	100%	100%	-	-	
MT DEBBIE NO 1	**MC 4350**	NW QLD	100%	100%	-	-	

2012 JORC Code

Section 1 – Sampling Techniques and Data

Criteria	Explanation
Drilling Techniques	• Reverse circulation drilling using an RCD250 rig with 900/350 Compressor onboard • 10 holes were drilled, for a total of 1,028m.
Sampling Techniques	• All drill samples were collected at 1 metre intervals • Drill samples were riffle split using a riffle 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	• RC recovery is initially visually estimated based on the size of the green bags • Recovery was good, with relatively consistent sample size
Logging	• 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	• 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. • Mineralised intervals were assayed individually as 1m samples. The remainder of the samples were submitted as 2m composites. Selection of samples was 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). All 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

	• The sample sizes are appropriate for the material being sampled
Quality of assay data and laboratory tests	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: • 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 40 standards with various values, 20 duplicates and 20 blanks were used for the drill program
Verification of sampling and assaying	• Significant mineralisation intersections will be verified by Chief Geologist
Location of data points	• Drill hole collars were picked up using DGPS with sub-metre resolution • Down hole surveys were taken every 30m using a digital survey camera • Co-ordinates are recorded in grid system MGA94, Zone 54
Data spacing and distribution	• Drill hole spacing to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) is unknown at this stage
Orientation of data in relation to geological structure	• Drill holes were mostly designed to intersect the mineralized structures at depths of between 40 and 80m, targeting an interpreted supergene enrichment zone • Drilling orientation was proposed to be approximately perpendicular to the strike of mapped mineralised zones • The majority of holes were drilled at an azimuth of 240 degrees and aimed to intersect interpreted northeast-dipping structures
Sample security	• 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	• 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
Mineral Tenement and Land Tenure Status	• MDL 204 (Copper Canyon) is 100% owned by White Range Mines Pty Ltd, which is a subsidiary of QMC.
Exploration done by other parties	Modern exploration has been conducted at Copper Canyon since the 1970s. Major programs are as follows: • Valiant Exploration, 1970s. Completed soil sampling, costeaning, ground magnetics, IP surveys, and drilling. Focus was on the Just Found and Duchenese Prospects, outside of the current drilling area. • Homestake & Valdora, 1980s to 1990s. Mapping, stream sampling, rock chip sampling, RAB drilling, TEM geophysics, and percussion drilling. This included 37 percussion holes (total 2830m) at Copper Canyon. Holes mostly targeted gold mineralisation. • Majestic Resources, 1990s. Drilled two holes at the southern end of Copper Canyon. BHP also flew a regional GEOTEM survey during this period. • Matrix Metals, 2000s. Lag sampling, rock chip sampling, soil sampling. Drilled nine percussion holes in the broader Copper Canyon area. Also completed 21 holes at Dodgy Rock, south of the current drilling area.
Geology	• MDL 204 contains rocks from the Marimo Slate and Staveley Formation. The Marimo Slate is dominated by slate and shale, often black and carbonaceous. The Staveley formation consists of a mix of calcareous to ferruginous siltstone, sandstone, conglomerate, matrix-supported breccia, and dolomitic limestone. • Contacts between the Marimo Slate and Staveley are interpreted to be faulted. • Mineralisation at Copper Canyon occurs in fault zones at or near the contact between the Marimo Slate and the Staveley formation. Cross faults might also play a role in controlling mineralisation. • Copper mineralisation is dominated by chalcocite, with lesser malachite occurring near the surface. • Supergene enrichment is interpreted to have played a significant role at Copper Canyon.

Drill hole information	• Full drill collar details, including coordinates, orientation, and final depth, are provided in Table 1 of the announcement
Data aggregation method	• No weighting, truncations, aggregates, or metal equivalents were used • Standard intersects were calculated using a 0.2% copper cut-off. A maximum of consecutive 3m of below 0.2% samples were allowed within each zone. 0.1% Mo cut-off was used.
Relationship between mineralisation widths and intersection lengths	• The relationship between the mineralisation width and intersection lengths is not known at this early stage of exploration.
Diagrams	• See Figure 2, 3 & 4 of this report
Balanced reporting	• The accompanying document is considered to represent a balanced report
Other substantive exploration data	• Refer to body of report for additional geological observations
Further work	• Proposed work consists of additional geological mapping, soil sampling, RAB drilling, and follow-up RC drilling. This will mostly target areas near to, but separate from, the current drilling area.