

Quarterly Report

For the period ended 30 September 2016

25 October 2016

HIGHLIGHTS

Operations

- The highlight of the exploration activities for the current quarter was the completion of 13 RC holes for a total of 1,446m in the Copper Canyon prospect.
- The drilling was designed to follow up the encouraging copper and molybdenum results returned from the April RC program and to test newly defined targets in the broader prospect area. Assay results are expected to become available in late October 2016.
- The Company also completed a bedrock geochemical drilling program which comprises 313 shallow holes totalling 1,921m. This work, along with other geochemical data, has defined several copper and molybdenum anomalies under thin alluvial cover. Some of priority targets have been selected for testing in the recently completed RC drilling campaign.

Corporate

- An option agreement was signed in August with Ausmex Mining Pty Ltd to offload the Mt Freda-Gilded Rose gold assets. The Company continue to dialog with several parties for other potential joint venture opportunities and divestment of its non-core assets.
- The 1 for 1 Rights Issue was completed in August with total \$4.7m being raised.
- The hearing of Mr Renshaw's appeal to his bankruptcy order is scheduled on 28 November 2016.
- The 2016 annual general meeting is scheduled on Tuesday 29 November 2016.

Exploration Activities Report

Exploration activities undertaken in the current quarter consist mainly of the completion of 13 RC holes for a total of 1,446m in the Copper Canyon prospect located approximately 25km south of Cloncurry (Figure 1). The drilling program was designed to both follow up the encouraging Cu-Mo results returned from the April 2016 RC program and test highly ranked

new targets defined in the broader prospect area. All the drill samples have been despatched to ALS laboratories in Townsville and assay results are expected to become available in late October 2016.

Other exploration work carried out during the quarter includes bedrock geochemical drilling for 1,921m in 313 shallow RC holes through alluvial cover and termite mound based soil sampling over steep slopes. These activities have led to the definition of several copper-molybdenum anomalies under cover and some of them have been tested by the recent RC drilling campaign. 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 located 25km south of 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.

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 of approximately 30km strike length in an N-S direction, and 20km 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 Shale (Answer Slate) is the principal formation occupying the Marimo Basin. It is underlain by the Staveley Formation, however most of the contacts are interpreted to be fault-related. These thrust faults appear to have played an important role in the formation of copper mineralisation, with most known deposits in the area (including Greenmount and Copper Canyon) occurring close to the Marimo-Staveley contact. Mineralisation is typically focused within a carbonaceous shale unit of the Marimo Shale, suggesting that redox processes may have been critical to deposition.

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 hole were drilled in 1992 in north Copper Canyon. Significant copper mineralisation was reported, including 56m @ 1.58% Cu and 0.7g/t Au from 65m in hole CCNRC27. Homestake Australia were focused on exploration for large scale gold deposits, and as a result not all holes were assayed for copper. Furthermore, cobalt and molybdenum were not analysed in most drill and soil samples, leaving potential for further undiscovered mineralisation.

QMC have previously completed geological mapping and an initial RC drilling program in April of 2016. This program returned significant copper mineralisation with gold and cobalt credits, including 37m @ 0.78% Cu, 0.50g/t Au, and 976 ppm Co from 54m in Hole CC16RC01.

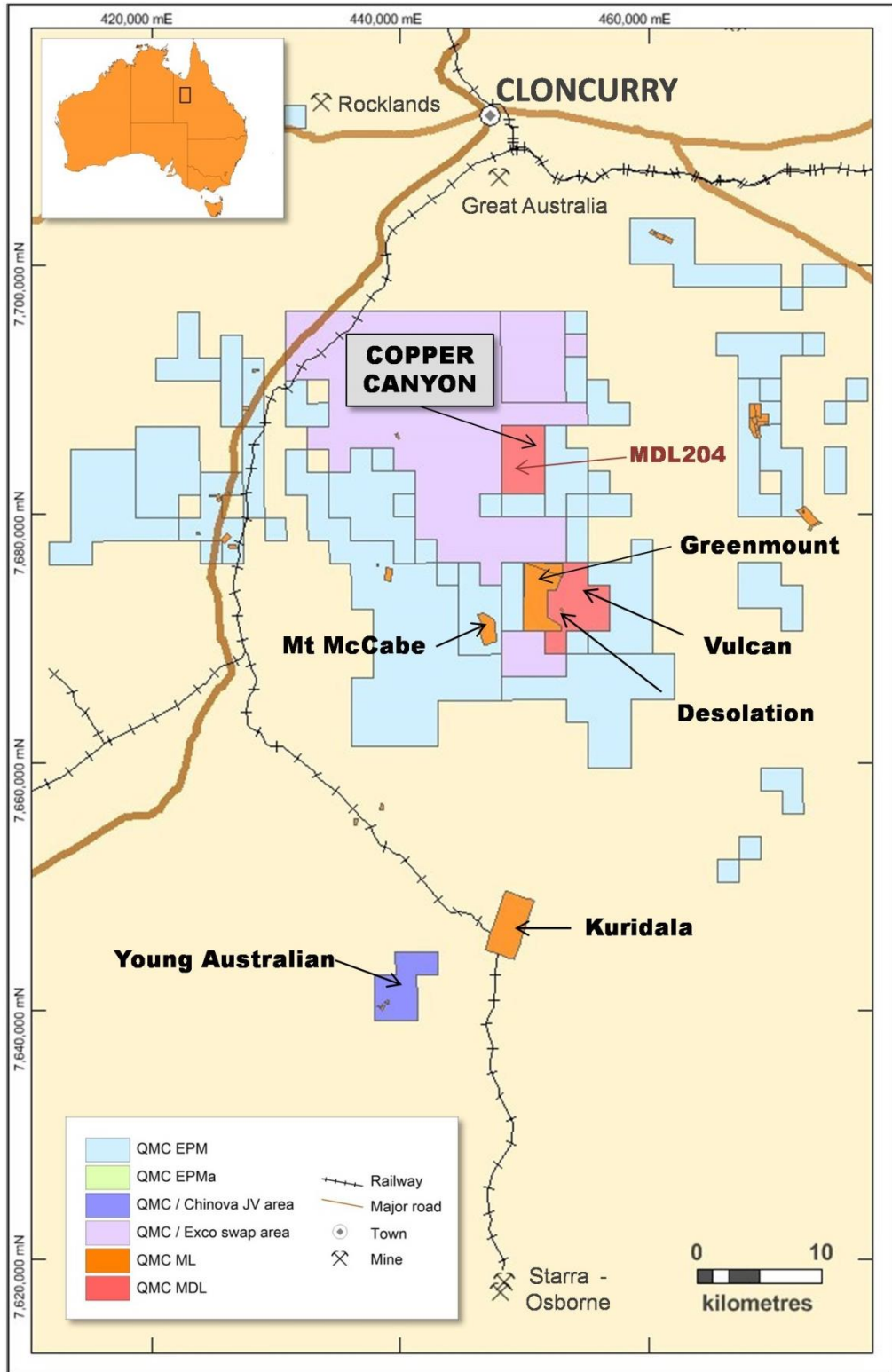


Figure 1: Location of QMC tenements and Copper Canyon prospect

The drilling also intersected a previously undiscovered zone of high grade molybdenum mineralisation, with 7m @ 3.0% Mo, 0.94g/t Au and 8.0g/t Re from 46m in hole CC16RC06.

During the current quarter, QMC have conducted bedrock geochemical RC drilling, termite mound sampling, and a second RC drilling program.

2. Bedrock RC drilling

A bedrock RC program was completed at the Copper Canyon prospect in August 2016 with the aim of defining new areas of copper or molybdenum mineralisation under thin alluvial cover. The program straddled the boundary between MDL 204 and EPM 15740 and consisted of 313 shallow holes (between 4m and 17m) for a total of 1,921m. A termite mound sampling program was completed in conjunction with this, to provide consistent geochemical coverage over the whole of the prospect.

Several targets were identified, including a large copper anomaly in the southern end of the prospect and two smaller molybdenum anomalies in the northern end (Figures 2 & 3). These areas were tested with follow-up RC drilling in early October.

3. Termite mound sampling

Termite mound sampling was completed over the western margins of the prospect where topography is too steep for RAB drilling and soil sampling was unlikely to be successful due to the amount of scree. The program consisted of 310 samples, spaced at 20m, with 100m line spacings. Samples were analysed in the field using a portable XRF device, allowing very rapid collection of the data in a cost efficient manner.

Results are shown in Figures 4 & 5. Several copper anomalies were identified that correlate well with the bedrock drilling results, however these were ultimately ranked as second priority and no follow up drilling has been completed to date. One molybdenum anomaly was also defined and again this correlated well with the bedrock drilling results. This anomaly was tested by two RC holes in the most recent drilling program (CC16RC18 & 19).

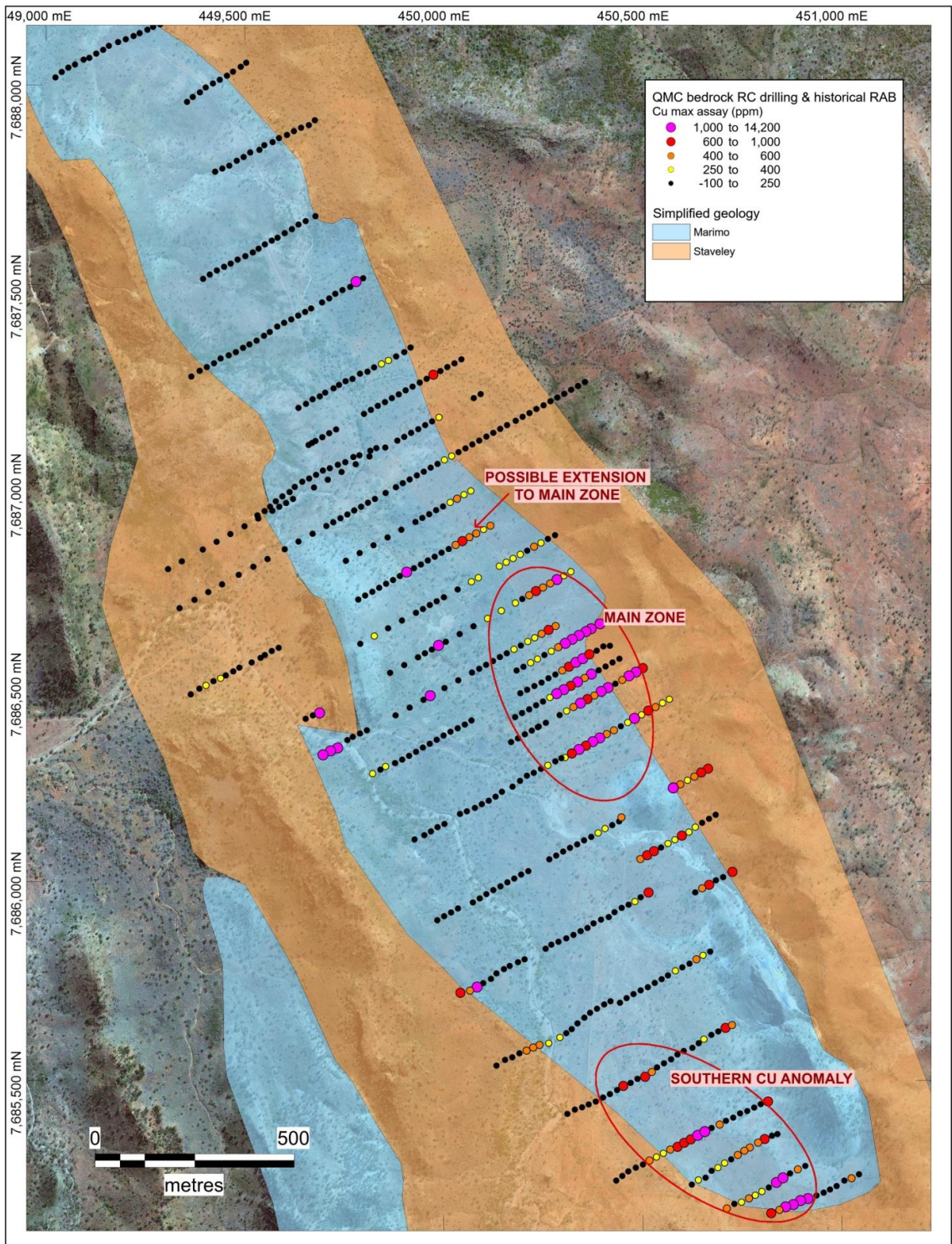


Figure 2: Combined results of recent QMC bedrock RC drilling and historical RAB drilling – copper (ppm) showing main targets areas

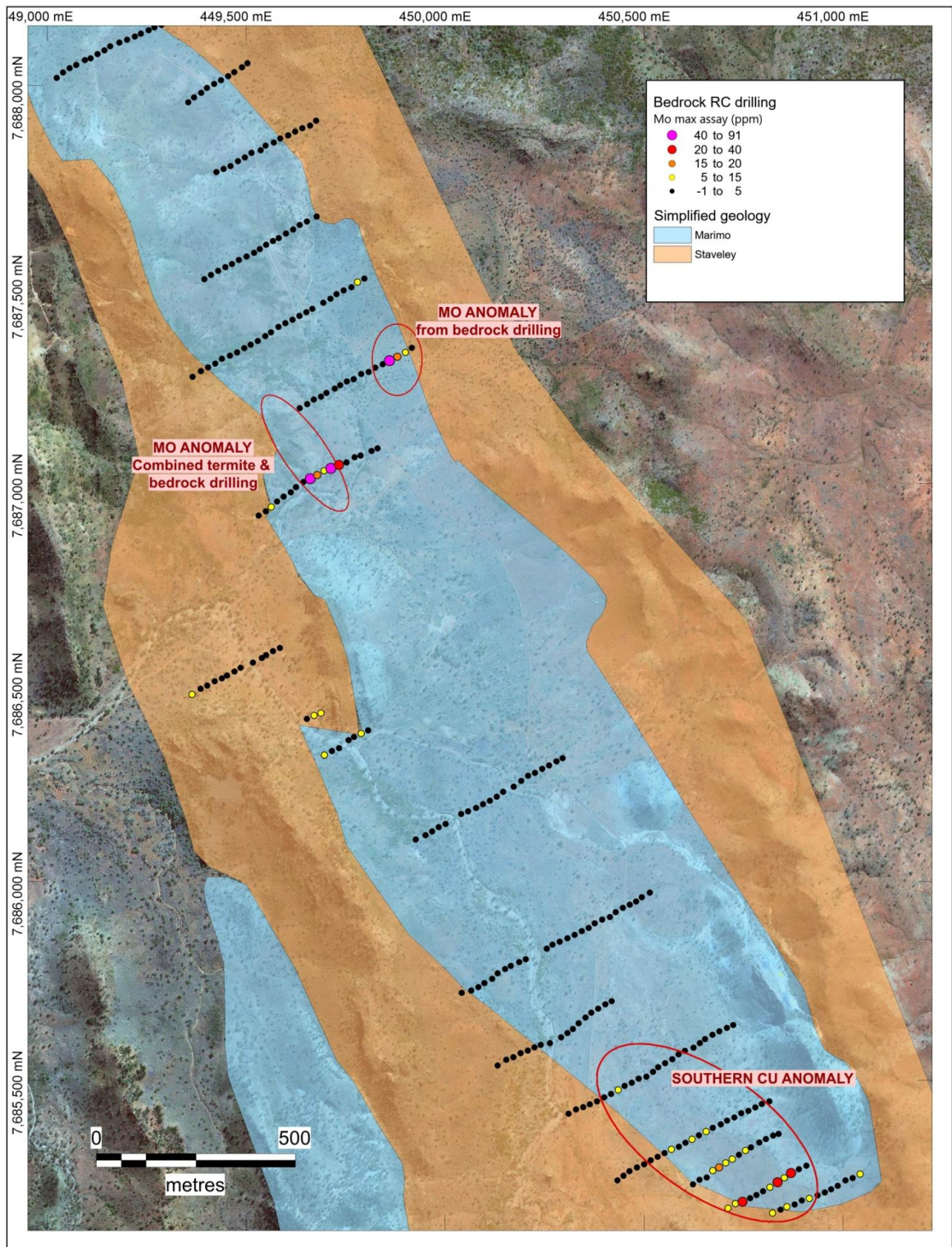


Figure 3: Results of recent QMC bedrock drilling – molybdenum (ppm), showing main target areas. Note: historical RAB holes were not assayed for molybdenum.

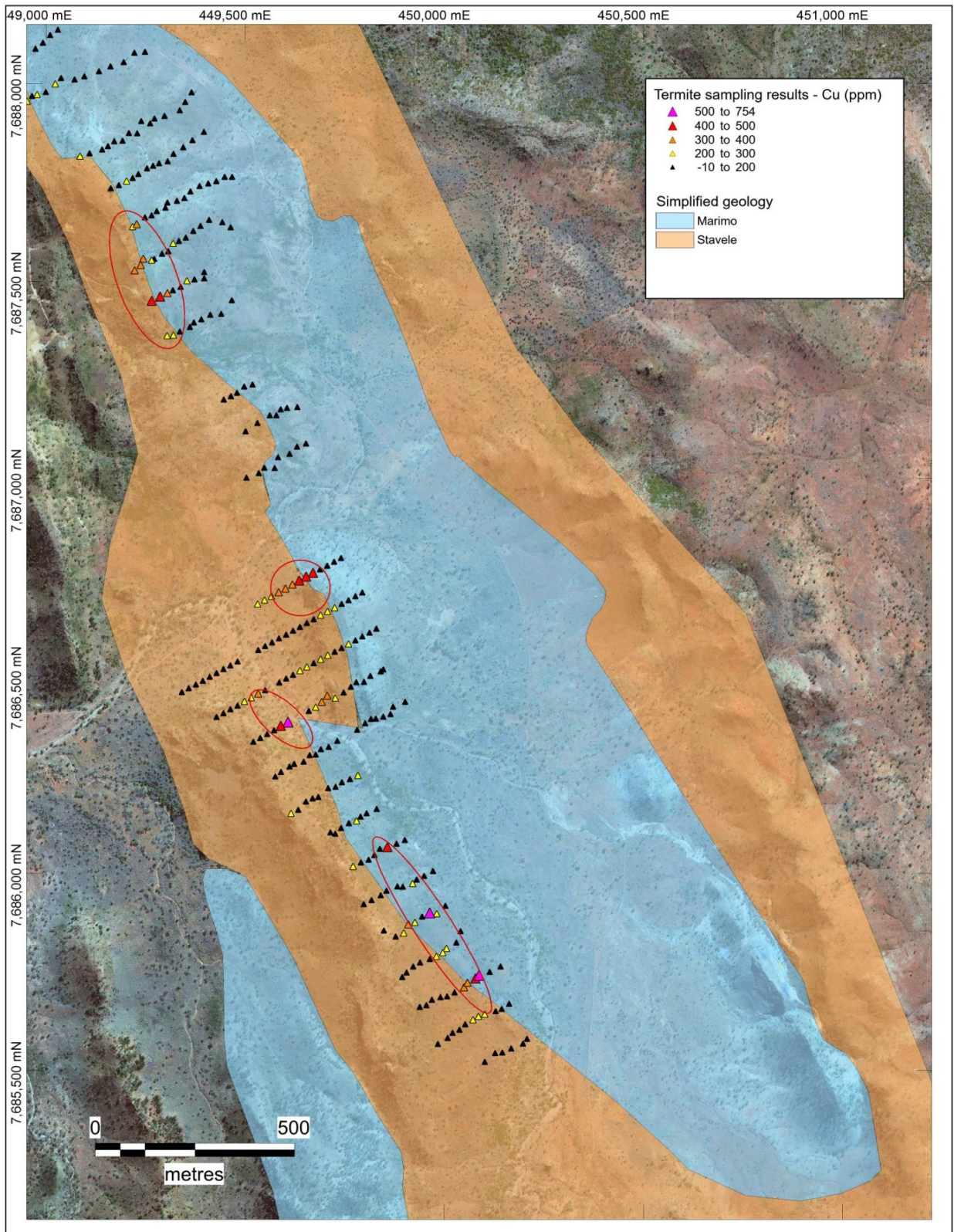


Figure 4: Results of termite mound sampling – copper (ppm)

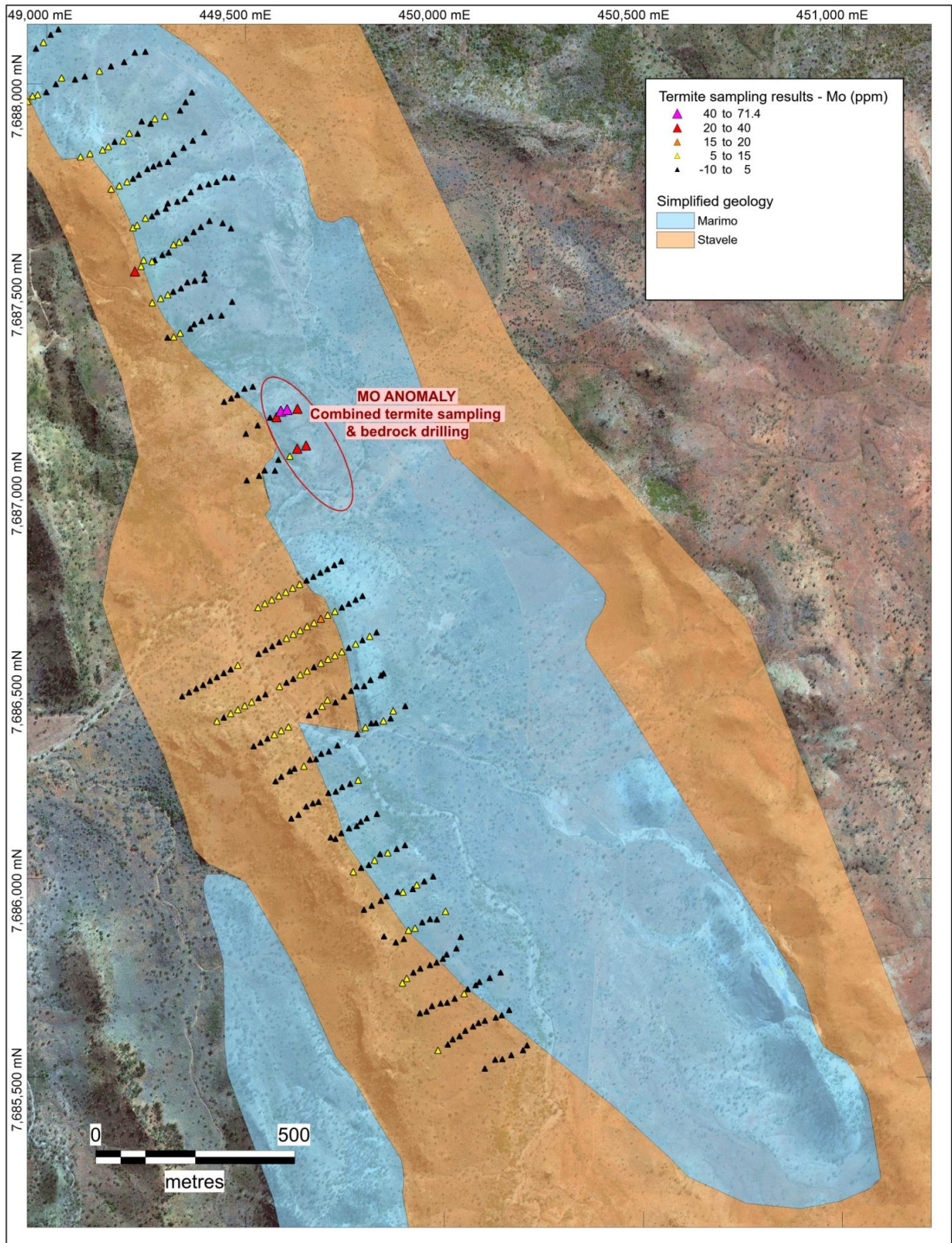


Figure 5: Results of termite mound sampling – Mo (ppm)

4. RC drilling October 2016

QMC completed a second RC drilling program at Copper Canyon in early October, consisting of 13 holes for a total of 1,446m (Figure 6). Details are provided in Table 1 below. This program has been completed; however assay results are still pending.

Table 1: Details of October 2016 RC drilling program

Hole ID	East (MGA94)	North (MGA94)	Azimuth (MGA94)	Azimuth (Mag)	Dip	Depth	Target
CC16RC11	450404	7686594	293	287	-60	150	Main zone Cu-Mo
CC16RC12	450334	7686674	114	108	-55	132	Main zone Cu-Mo
CC16RC13	450352	7686475	294	288	-60	138	Main zone Cu-Mo
CC16RC14	450381	7686433	239	233	-60	84	Main zone Cu-Mo
CC16RC15	450361	7686345	241	235	-55	84	Main zone Cu-Mo
CC16RC16	450455	7686571	295	289	-60	180	Main zone Cu-Mo
CC16RC17	449887	7687326	241	235	-60	102	Mo anomaly in bedrock RC
CC16RC18	449639	7687193	242	236	-60	102	Mo anomaly in bedrock RC and termite mound
CC16RC19	449699	7687030	242	236	-60	120	Mo anomaly in bedrock RC and termite mound
CC16RC20	450055	7686855	241	235	-55	60	Cu anomaly in historical RAB
CC16RC21	450528	7685527	241	235	-60	90	Cu anomaly in bedrock RC
CC16RC22	450921	7685209	250	244	-60	102	Cu anomaly in bedrock RC
CC16RC23	450661	7685374	241	235	-60	102	Cu anomaly in bedrock RC

Six of the holes (CC16RC11 to CC16RC16) were completed in the main zone at north Copper Canyon, targeting possible extensions to the mineralisation identified in previous drilling. The main structure at Copper Canyon consists of the thrust faulted Staveley-Marimo contact, which trends NNW over a strike length of approximately 3.5km. Previous drilling has focused on this structure and has therefore been oriented perpendicular to this direction (i.e. ENE or WSW). Based on the geological mapping and results of the April drilling program, it was interpreted that the highest grade copper and molybdenum mineralisation was instead focused in a NE-trending jog of this main structure, which may have acted as a dilation zone and could have provided a favourable site for mineralisation. Three of the holes (CC16RC11, 12, and 14) aimed to test this interpretation and therefore drilled towards the northwest (Figure 7). CC16RC16 was also drilled towards the northwest and was designed to test for possible deep copper sulphide mineralisation and extensions to the molybdenum zone. CC16RC14 and 15 targeted historical RAB anomalies and extensions to previously intersected mineralisation.

Holes 17 to 19 targeted molybdenum anomalies in both bedrock RC drilling and termite mound sampling. Holes 21 to 23 targeted the southern copper anomaly from the bedrock RC drilling. All the drill samples have been despatched to ALS laboratories in Townsville and assay results are expected to be available in late October 2016.

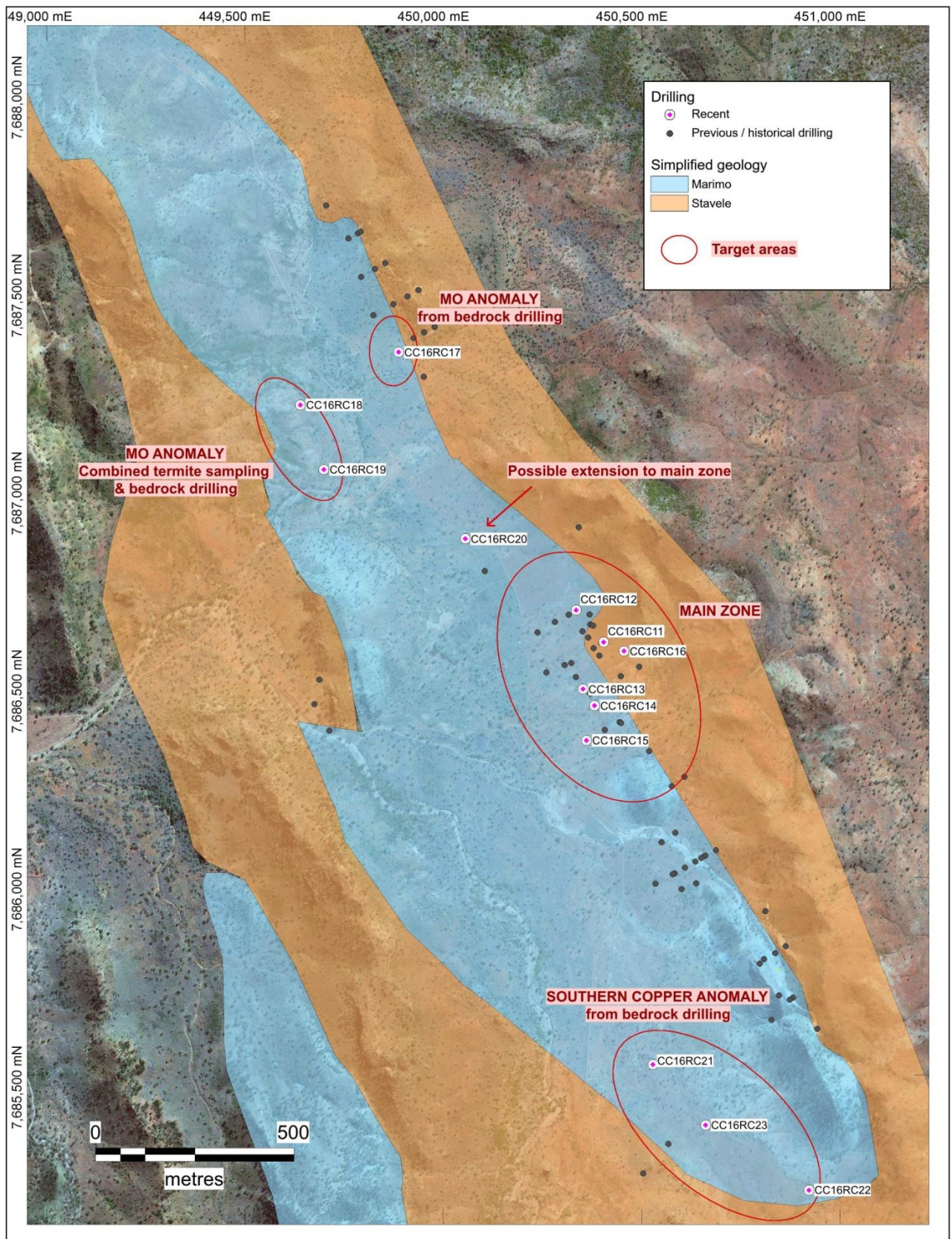


Figure 6: Location of October 2016 RC drillholes

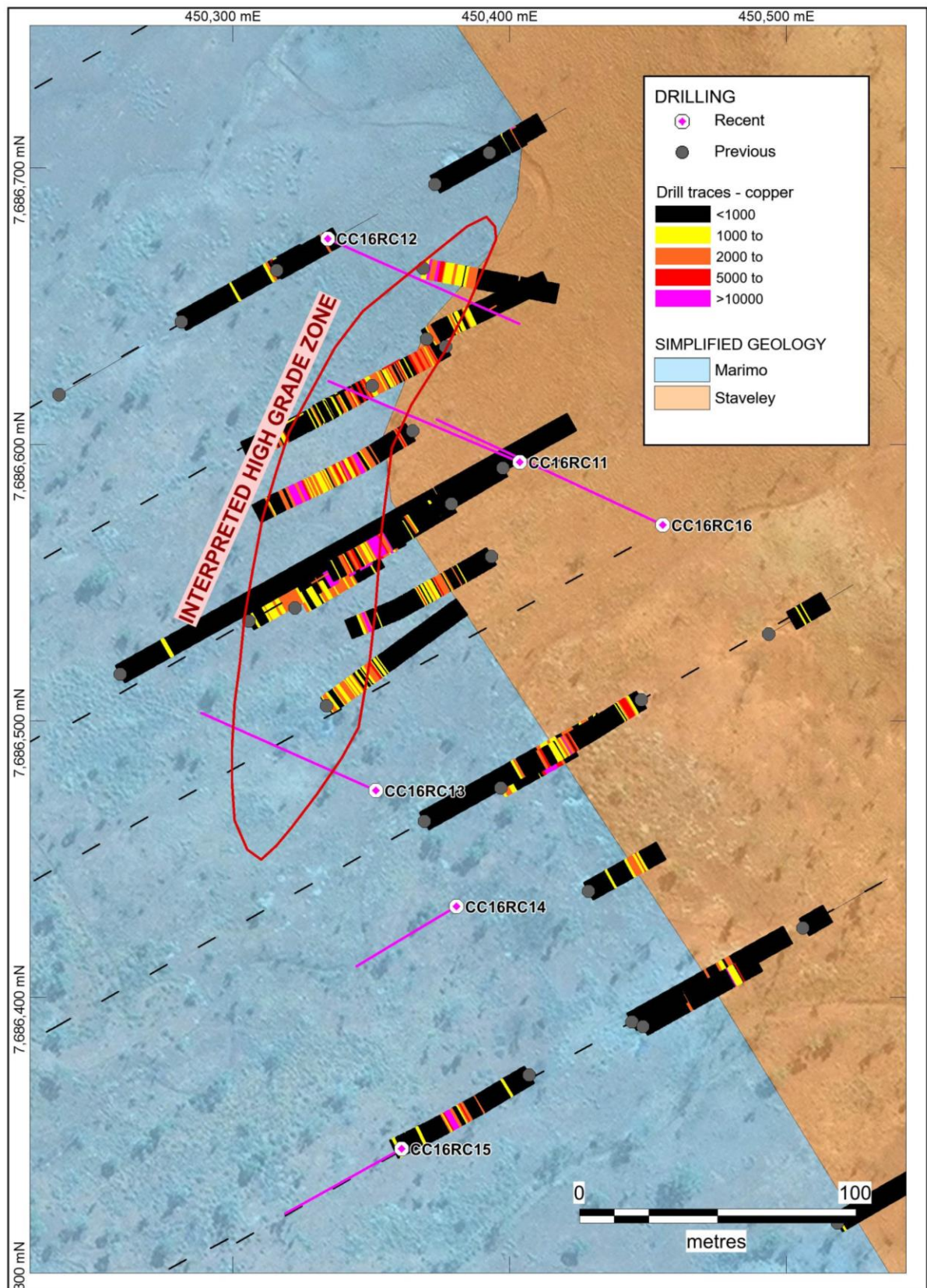


Figure 7: Drilling at the Copper Canyon Main Zone, showing interpreted high grade zone at a jog in the Marimo-Staveley contact

Corporate Activities

1. An option agreement with Ausmex Mining Pty Ltd was signed on 15 August 2016 with a strategy for Ausmex to bring the non-core Mt Freda and Gilded Rose gold project into a production operation in the near term. The agreement allows Ausmex to initially own 60% of the project (QMC retains 40%) by exercise the option within the option period and pay QMC a face value of \$1 million of Ausmex listed shares. Ausmex is currently undertaking a due diligence over the gold project.
2. The Company continue the dialog with several parties for other potential cooperation in joint development of the White Range Project and exploration of the Company's highly prospective tenement holdings in Cloncurry.
3. The one for one rights issue announced by the company on 16 June 2016 was completed in August. Together with two subsequent placements of shortfall shares, the company has raised in total of \$4.7m. The new fund enable the Company to carry out its 2016/17 exploration program and support its operation to FY2017/18.
4. The hearing of Mr Renshaw's appeal to his bankruptcy order is scheduled on 28 November 2016.
5. The 2016 annual general meeting of the Company is scheduled on Tuesday 29 November 2016 at 2:30 pm at the office of Boardroom Pty Ltd, Level 12, 225 George Street, Sydney, NSW 2000. Shareholders are encouraged to attend the meeting and take this opportunity to discuss the development and prospect of the Company with its directors and management members.

For further details please contact:

Mr Eddy Wu

CEO

Tel: 02 9267 8932

Email: Admin@gmcl.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.

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, 01/05/13, 01/09/16

Name of entity

Queensland Mining Corporation Limited

ABN

61 109 962 469

Quarter ended ("current quarter")

30 September 2016

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(680)	(680)
(b) development		
(c) production		
(d) staff costs		
(e) administration and corporate costs	(138)	(138)
1.3 Dividends received (see note 3)		
1.4 Interest received	3	3
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Research and development refunds		
1.8 Other (provide details if material)		
-Option fee received	20	20
-GST Refund	25	25
-Payroll & PAYG Tax paid	(30)	(30)
1.9 Net cash from / (used in) operating activities	(800)	(800)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment		
(b) tenements (see item 10)		
(c) investments		

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
(d) other non-current asset		
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment		
(b) tenements (see item 10)		
(c) investments		
(d) other non-current assets		
2.3 Cash flows from loans to other entities		
2.4 Dividends received (see note 3)		
2.5 Other (provide details if material)		
2.6 Net cash from / (used in) investing activities		

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	4,709	4,709
3.2 Proceeds from issue of convertible notes		
3.3 Proceeds from exercise of share options		
3.4 Transaction costs related to issues of shares, convertible notes or options	(30)	(30)
3.5 Proceeds from borrowings		
3.6 Repayment of borrowings		
3.7 Transaction costs related to loans and borrowings		
3.8 Dividends paid		
3.9 Other (provide details if material)		
3.10 Net cash from / (used in) financing activities	4,679	4,679

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	963	963
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(800)	(800)
4.3 Net cash from / (used in) investing activities (item 2.6 above)		
4.4 Net cash from / (used in) financing activities (item 3.10 above)	4,679	4,679
4.5 Effect of movement in exchange rates on cash held		
4.6 Cash and cash equivalents at end of period	4,842	4,842

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	137	162
5.2 Call deposits	403	300
5.3 Bank overdrafts		-
5.4 Term Deposits	4,302	501
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	4,842	963

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter
\$A'000**

59

Payment to Lakshman Jayaweera

-Director fee

\$12

Payment to Eddy Wu

- Director fee

\$25

Payment to Jun Qiu

-Director fee

\$12

Payment to Joyce Wang that Joyce Wang is an alternate Director

-Accounting and taxation services

\$10

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter
\$A'000**

10

7.1 Rental payments made to a director related entity.

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities		
8.2 Credit standby arrangements		
8.3 Other (please specify)		
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

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9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	250
9.2 Development	
9.3 Production	
9.4 Staff costs	
9.5 Administration and corporate costs	200
9.6 Other (provide details if material)	
9.7 Total estimated cash outflows	450

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2 Interests in mining tenements and petroleum tenements acquired or increased				

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here: Date: 25/10/2016
Company secretary

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 that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, 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. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

Appendix 1 QMC Tenement Schedule as at 30 September 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
Notlor	EPM13091	NW QLD	Exclusive exploration right	Exclusive exploration right	--	-	Exco Resources
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%	-	-	
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%	-	-	
Top Camp	EPM17602	NW QLD	85%	85%	-	-	Findex
Flamingo West	EPM 18106	NW QLD	100%	100%	-	-	
Elder Creek	EPM 18286	NW QLD	100%	100%	-	-	
Slaty Creek	EPM 18440	NW QLD	100%	100%	-	-	
Gold Reef Dam	EPM 18663	NW QLD	100%	100%	-	-	
Wedgetail	EPM18912	NW QLD	Exclusive exploration right for 6 sub-blocks	Exclusive exploration right for 6 sub-blocks	-	-	Ivanhoe Cloncurry Mines Pty Limited
Jackeys Creek	EPM25669	NW QLD	100%	100%	-	-	
Copper Canyon East	EPM25849	NW QLD	100%	100%	-	-	

30 September 2016

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 SURROUND 5	ML 90176	NW QLD	100%	100%	-	-	
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	<ul style="list-style-type: none"> • The bedrock reverse circulation geochemical program was completed using an RCD250 rig. 313 holes were drilled for a total of 1,921m (average depth of 6m). • The deeper reverse circulation drilling was completed using the same rig with a 900/350 Compressor onboard. 13 holes were drilled for a total of 1,446m.
Sampling Techniques	<ul style="list-style-type: none"> • All drill samples were collected at 1 metre intervals • For the bedrock geochemical program, bulk samples were collected in green bags. A smaller sample for assay was taken using a spear, usually consisting of a composite of the last 2m of the hole. Average sample weight was 2kg. • For the deeper RC program, samples were split using a riffle splitter mounted on the drill rig. Average sample weight was 5kg. • All samples were then pulverised and riffle split at the laboratory to produce 30g charge for four acid digest for multi-elements and fire assay for gold. • For the termite mound geochemistry program, no samples were collected. Mounds were analysed in the field using an Innov-X handheld XRF device.
Drill sample recovery	<ul style="list-style-type: none"> • RC recovery is initially visually estimated based on the size of the green bags. Samples are also weighed at the laboratory. Recovery was good, with relatively consistent sample size • Recovery was not recorded for the bedrock geochemical program
Logging	<ul style="list-style-type: none"> • Drill chips were logged onto field sheets and later input into a computer connected with the 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 drill 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.

	<ul style="list-style-type: none"> • For the bedrock geochemical drilling program, a composited sample was collected for the last 2m of every hole. Some additional samples were also collected where the XRF indicated that mineralisation was present. • For the deeper drilling program, intervals for assay were selected based on a combination of the XRF results and geological logging. Samples were submitted as 1m intervals with no compositing. • 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 • For the termite mound geochemistry program, there was no sub-sampling and no sample preparation completed. Mounds were analysed in-situ using an Innov-X handheld XRF device. Based on previous work in the area, this is considered adequate for the purpose of the program and gives comparable results to sieved soil samples.
<p>Quality of assay data and laboratory tests</p>	<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 • For the bedrock geochemical program, a total of 14 standards with various values, 7 duplicates and 7 blanks were used.

	<ul style="list-style-type: none"> • For the deeper drilling, a total of 38 standards with various values, 19 duplicates, and 19 blanks were used. • The Innov-X handheld XRF is also calibrated and tested against standards every morning.
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"> • For the bedrock geochemical program, drill hole collars were picked up using a handheld GPS with approximately 3m accuracy. This was considered adequate for the purpose of the program. • For the deeper RC program, drill hole collars were picked up using DGPS with sub-metre resolution. • Termite mound samples were located using a handheld GPS with approximately 3m accuracy. • For the deeper RC program, down hole surveys were taken every 30m using a digital survey camera. No surveys were taken for the bedrock geochemical program. • Co-ordinates are recorded in grid system MGA94, Zone 54
Data spacing and distribution	<ul style="list-style-type: none"> • Bedrock geochemical holes were spaced at 20m, typically with line spacings of 100m to 200m, and were designed to extend and infill a previous RAB program completed by Homestake. This spacing was considered appropriate to locate anomalies associated with a reasonable size ore body. • The deeper RC drilling was exploratory. 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. • Termite mound samples were spaced at 20m with line spacings of approximately 100m.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • Bedrock geochemical holes were vertical and were drilled to approximately 2m below the base of weathering, with the aim of detecting geochemical anomalies associated with an underlying ore body. Lines were oriented approximately perpendicular to the major structures in the area. • Deeper RC drill holes were oriented approximately perpendicular to the strike of mapped mineralised zones. The dip was 55 to 60 degrees, while most structures in the area are interpreted as being sub-vertical.

	<ul style="list-style-type: none">• Termite mound sampling lines were oriented approximately perpendicular to the major structures in the area.
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
Mineral Tenement and Land Tenure Status	<ul style="list-style-type: none"> • MDL 204 (Copper Canyon) is 100% owned by White Range Mines Pty Ltd, which is a subsidiary of QMC.
Exploration done by other parties	<p>Modern exploration has been conducted at Copper Canyon since the 1970s. Major programs are as follows:</p> <ul style="list-style-type: none"> • Valiant Exploration, 1970s. Completed soil sampling, costeaning, ground magnetics, IP surveys, and drilling. Focus was on the Just Found and Ducheneze 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	<ul style="list-style-type: none"> • 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 siltstone-sandstone 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	<ul style="list-style-type: none"> • Full drill collar details, including coordinates, orientation, and final depth, are provided in Table 1 of the report. Locations of the bedrock geochemical holes are shown in Figure 2.
Data aggregation method	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • The relationship between the mineralisation width and intersection lengths is not known at this early stage of exploration.
Diagrams	<ul style="list-style-type: none"> • See Figures 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"> • Further work will depend upon the results of the deeper RC program.