



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

Quarterly Report

For the period ended 31 March 2016

21 April 2016

HIGHLIGHTS

Operations

- The current quarter was focused on review and ranking of a number of prospects within the White Range project with an objective to define additional copper resources in the 2016 field season.
- Copper Canyon in MDL204 was selected as the first priority to follow up based on its prospectivity and proximity to the proposed processing plant in Greenmount. A nine hole RC drilling program has been developed and drilling commenced during the second week of April 2016.
- Assay results from the current drilling program are expected to be available in mid-May 2016.

Corporate

- The Company continue the dialog with several parties for potential Joint Venture opportunities and divestment of non-assets.
- The application to bankrupt Mr Renshaw is in progress.
- The Company is moving to a new office in May.

Exploration Activities Report

Much of the current quarter collides with the wet season the Mt Isa region. As a result, exploration activities were focused on report writing and review of project data. Limited field work was undertaken on several highly ranked prospects in the White Range area, including Copper Canyon, which is regarded as the first priority to follow up in the 2016 field season. The Copper Canyon prospect is hosted in MDL204 and located approximately 25km south of Cloncurry and 10km north of the Greenmount deposit (Figure 1). The latter is the largest single copper deposit within the Company's flagship White Range project.

Copper Canyon (MDL204)

The ground held under the tenement 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. Exploration in the area was dominated by geological mapping, BCL and stream and soil geochemical sampling, RAB drilling and TEM geophysics. The work had outlined a copper in soil anomaly of about 1,000m long and 100m wide over 300ppm copper. Subsequent drill testing (37 RC holes and 1 diamond) in 1992 had intersected significant mineralisation including 56m@ 1.58% Cu and 0.7g/t Au from 64m in Hole CCNRC27. 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.

During 1996 Majestic Resources drilled two RC holes at the southern end of the Copper Canyon prospect, with both holes intersecting copper mineralization (8m@ 1.62% Cu from 86m in CCSRC1). Further drilling campaign was carried out by Matrix Metals in Copper Canyon south with two short RC holes being completed in 2003 to test a splay structure but only low level of copper was reported in the second hole. In the following year, two scout holes were drilled by Matrix Metals in north Copper Canyon with an aim to expand the known mineralisation from Homestake's holes along strike. However, both holes only reported low grade copper mineralisation at the target depths.

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 (Figure 2). 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.

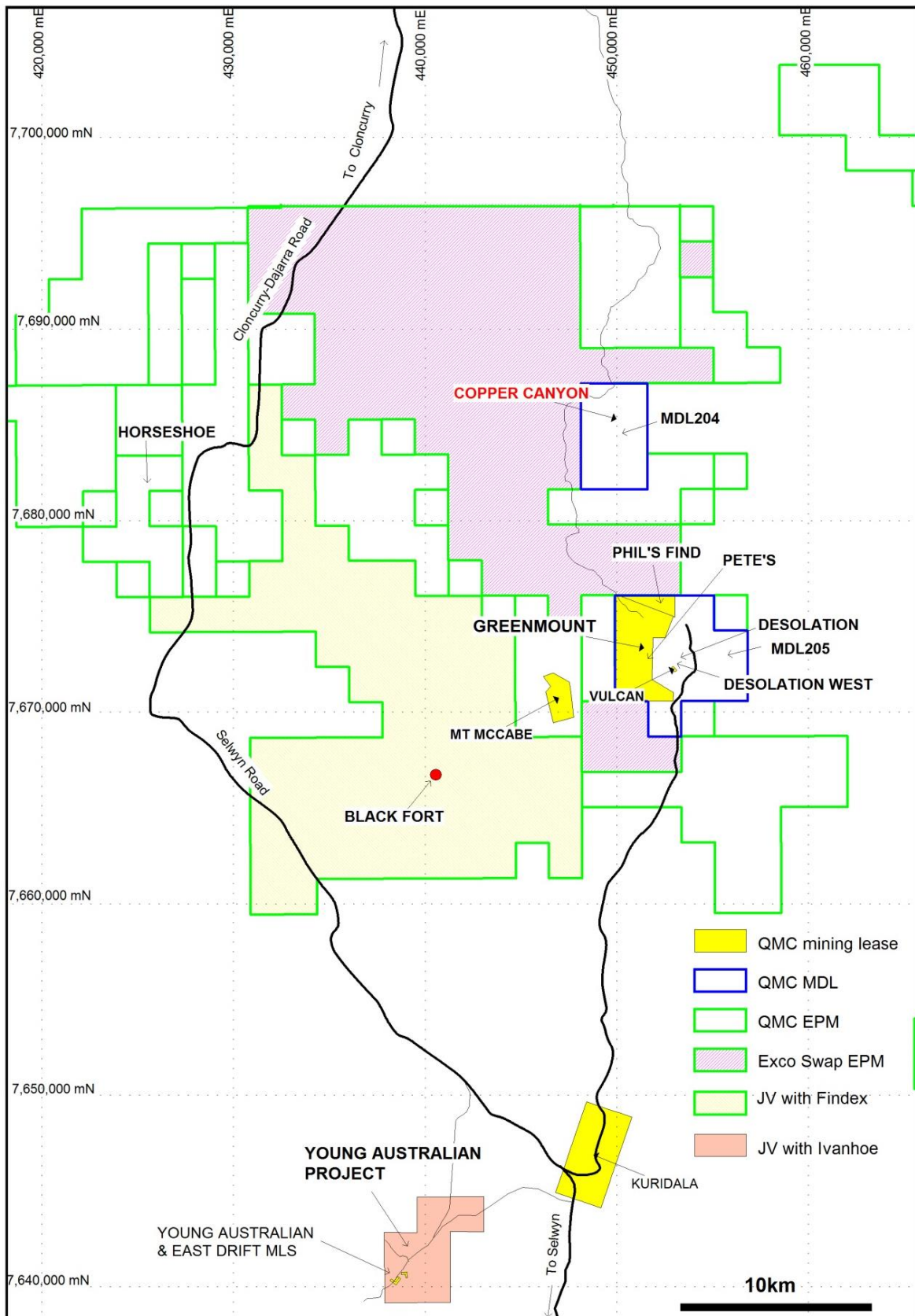


Figure 1 Regional location of the Copper Canyon prospect

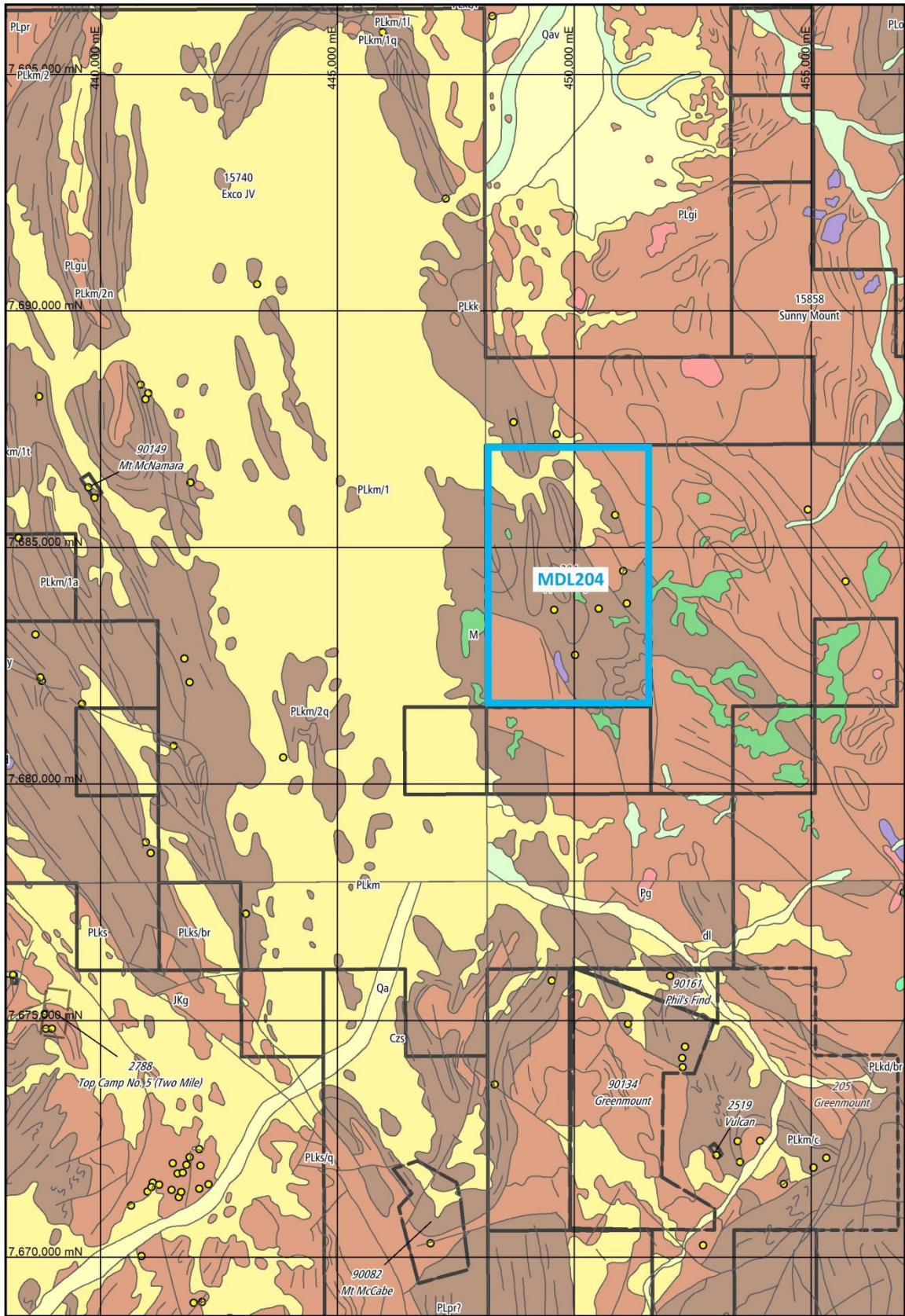


Figure 2 Regional geology and location of MDL204

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.

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. There are also a series of secondary imbricate faults preferentially developed within the Marimo slate unit. These thrust 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 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.

In order to test this new exploration model, 9 RC holes for a total of ca. 1,000m have been proposed mainly to infill and step out the Homestake 1992 RC holes in north Copper Canyon with an opposite azimuth (Figure 3). The Company's objective is to establish the continuity of mineralization with an endeavor to delineate a possible JORC resource for the prospect. The drilling has commenced at the time when this report is being written and assay results are expected to be available in mid-May 2016.

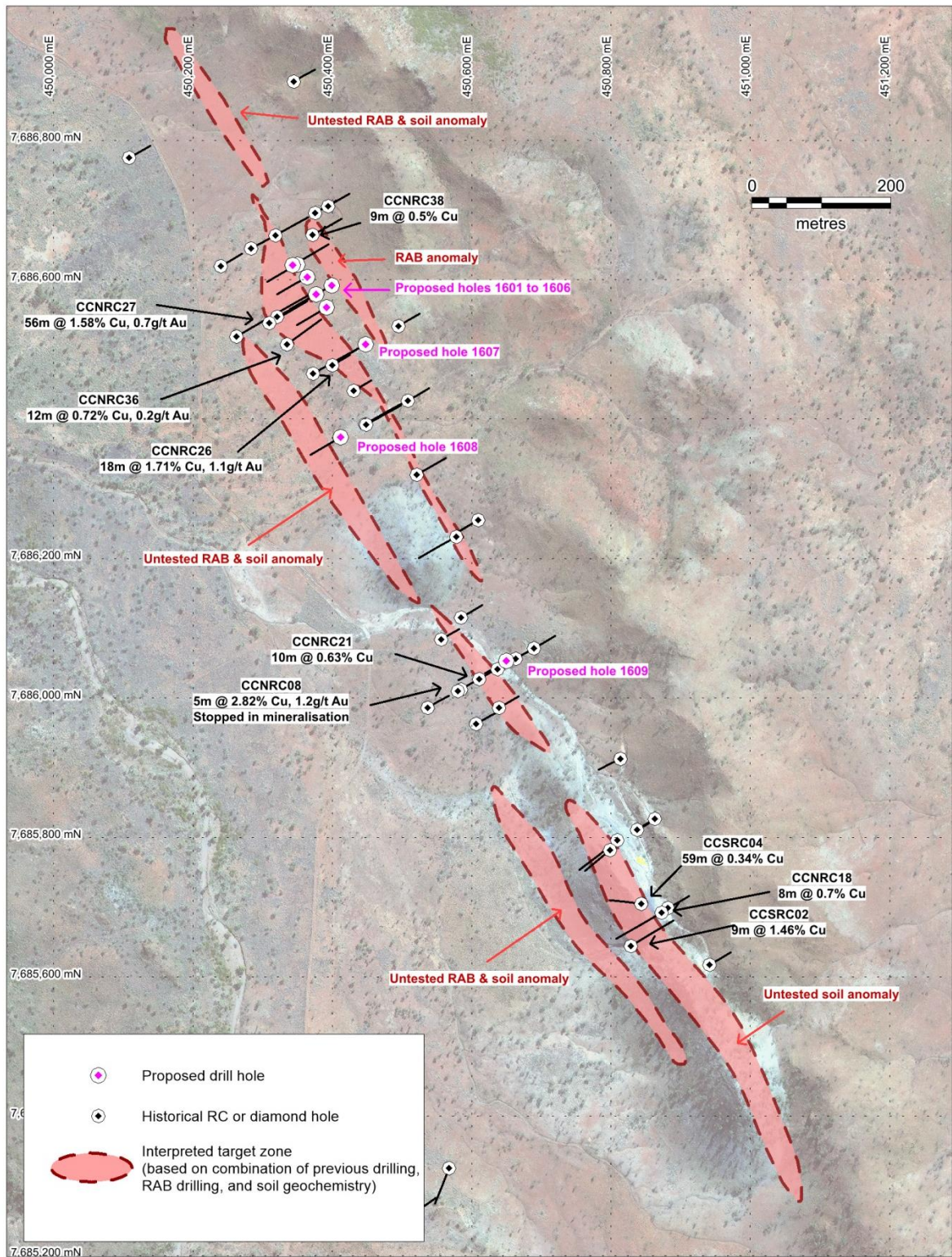


Figure 3 Proposed RC holes relative to historical holes in Copper Canyon

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.

The bankruptcy hearing of Mr Renshaw is scheduled on 27 April 2016.

The lease of the current office is expiring by the end of April. The owner of the building is planning to redevelop the property and does not offer lease renewal to the current tenants. The Company is planning to move to a new office at Suite 2004, Level 20, 201 Elizabeth Street, Sydney, NSW 2000 on 2 May 2016.

For further details please contact:

Mr Eddy Wu

CEO

Tel: 02 8964 6411

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.

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")

31 March 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 (b) development (c) production (d) administration	(360)	(1,711)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	17	61
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material) -GST refund -ATO GIC -Payroll & PAYG Tax paid	27 (35)	82 (101)
Net Operating Cash Flows	(466)	(2,118)
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 (b) equity investments (c) other fixed assets		60
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		8
1.13 Total operating and investing cash flows (carried forward)	(466)	(2,110)

+ 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)	(466)	(2,110)
	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	1,719	3,363
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	1,253	1,253

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	59
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	12
- Director fee	
Payment to Eddy Wu	25
- Director fee	
Payment to Jun Qiu	12
- Director fee	
Payment to Joyce Wang which Joyce Wang is an alternate Director	10
- Accounting and taxation services	

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

--

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

- 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	52	60
5.2 Deposits at call	500	1,016
5.3 Bank overdraft	-	-
5.4 Other Online Saving Account	701	643
Total: cash at end of quarter (item 1.22)	1,253	1,719

+ 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	EPM19183, QLD	EPM	100%	0
		EPM19184, QLD	EPM	100%	0
		EPM17247, QLD	EPM	100%	0
		EPM17248, QLD	EPM	100%	0
6.2	Interests in mining tenements and petroleum tenements acquired or increased	EPM26011	EPM	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	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	5,877,759	5,877,759	0.58
7.5	+Convertible debt securities (description)			

+ See chapter 19 for defined terms.

Mining exploration entity and oil and gas exploration entity quarterly report

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:

Company secretary

Date: 21/4/2016

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.

== == == == ==

Appendix 1 QMC Tenement Schedule as at 31 March 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%	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%	-	-	
Pigeon South	EPM 17246	NW QLD	100%	100%	-	-	
Coolullah	EPM 17247	NW QLD	100%	0%	-	Surrender	
Pigeon North	EPM 17248	NW QLD	100%	0%	-	Surrender	
Top Camp	EPM17602	NW QLD	85%	85%	-	-	Findex
Mt Norma West	EPM 17922	NW QLD	100%	100%	-	-	
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	EPM 18912	NW QLD	100%	100%	-	-	
Elder Creek East	EPM 19149	NW QLD	100%	100%	-	-	

31 March 2016

Turpentine Creek	EPM 19150	NW QLD	100%	100%	-	-	
Weatherly Creek South	EPM 19165	NW QLD	100%	100%	-	-	
Surprise Creek	EPM 19166	NW QLD	100%	100%	-	-	
Weatherly Creek North	EPM 19167	NW QLD	100%	100%	-	-	
Anitra Osborne	EPM 19183	NW QLD	100%	0%	-	Surrender	
Pegmont South	EPM 19184	NW QLD	100%	0%	-	Surrender	
Jackeys Creek	EPM25669	NW QLD	100%	100%	-		
Copper Canyon East	EPM25849	NW QLD	100%	100%	-	-	
Strathfield	EPM26011	NW QLD	0%	100%	Granted	-	
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	ML 90175	NW QLD	100%	100%	-	-	

SURROUND 4							
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 2 – Reporting of Exploration Results

Criteria	Explanation
<i>Mineral Tenement and Land Tenure Status</i>	MDL204 ‘Copper Canyon’ is located approximately 25km south of Cloncurry and 100% owned by QMC’s subsidiary White Range Mines Pty Ltd. The tenement covers an area of 1,920 ha. It was granted on 8/11/1996 and the current tenure will expire on 30/11/2016.
Exploration done by other parties	<p>The area has undergone small scale mining and modern time exploration since the early 1970s. Details of the exploration activities are summarised as below:</p> <ul style="list-style-type: none"> • Valient Explorations Ltd (early 1970s): soil sampling, costeaning, ground magnetics and 3 percussion holes drilled at the Just Found prospect • Homestake Australia Ltd (1986 – 1996, in JV with Valdora Minerals): geological mapping, stream and soil geochemistry sampling, RAB drilling and TEM geophysics, 37 RC holes and 1 diamond hole drilled in Copper Canyon • Majestic Resources (1996-1999): Two RC holes were drilled south Copper Canyon • Matrix Metals (2000-2008): Rock chip and lag sampling, 2 RC holes in south Copper Canyon in 2003 and another 2 RC holes in north Copper Canyon in 2004. A further 21 RC holes were drilled at Dodgy Rock in southern part of MDL204 in 2005
Geology	<ul style="list-style-type: none"> • Greenmount style of copper mineralisation hosted in the altered Marimo slate, which exhibits clearly structural control in distribution. Interpreted mineralised zones strike NNW-SSE and dip steeply to east. Mineralisation comprises malachite, chalcocite, bornite and chalcopyrite. Hydrothermal alteration is characterised by K-feldspar, muscovite and clay.
Drill hole information	<ul style="list-style-type: none"> • Nine RC holes will be drilled in north Copper Canyon and their proposed locations are presented in Figure 3. Eight out of 9 holes will be drilled towards southwest (GDA 240°) and angled at -60°. One hole will be drilled the other way around and angled at -65°.
Data aggregation method	<ul style="list-style-type: none"> • No weighting, truncations, aggregates, or metal equivalents will be used • Standard intercepts will be calculated using a 0.2% copper cut-off. A maximum of

	consecutive 3m of below 0.2% samples will be 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"> RC drilling has been planned at north Copper Canyon