

QUEENSLAND GOLD & MINERALS

30 November 2008

QUEENSLAND GOLD AND MINERALS LTD ABN 89 096 142 737

ASX Code :
QGM/QGMO

Issued Capital (30/11/2008):
59,819,167 Shares issued
50,046,773 Shares listed

500,000 Unlisted Options
4,000,000 Unlisted Directors and
Broker Options (options and shares
escrowed if exercised)

539 shareholders

Top 20 shareholders:- Hold 69 % of
Listed Shares

Directors:

Mr David Barwick – *Chairman*
Mr Andrew Gillies - *Director*
Mr Adrian Day - *Director*
Mr John Nethery – *Director*
Mr Theo Psaros – *Company Secretary*

Largest Shareholders (30/11/08):

Angus & Ross plc	24.52 %
Metallica Minerals Limited	12.88 %
Nedex Pty Ltd	5.74%

Cash Balance

As at 30 November 2008, QGM's cash
balance was approx \$0.1 million.

QUARTERLY REPORT TO 30 NOVEMBER 2008

HIGHLIGHTS

- Metallica Minerals Limited (ASX:MLM) acquires strategic stake in QGM to add to its considerable mineral property portfolio and focus within Queensland minerals sector.
- MLM acquired 7,702,500 shares @ 0.75 cents per share and subject to MLM Board, further due diligence, statutory and QGM shareholder approvals, to provide up to a further \$292,231 (38,964,133 shares at 0.75 cents per share) in convertible debt funding to QGM and to possibly vend in of one or two southeast Queensland coal projects.
- David Barwick is appointed Chairman of QGM along with Andrews Gillies as Director following MLM's strategic investment in QGM.
- Exploration activities have been significantly reduced to all tenements and field crews have been terminated to minimise expenditure and conserve QGM's cash position.
- QGM has withdrawn from the JV option agreement to explore the Walwa tin-tantalite tenement in Victoria.
- During the quarter, QGM was advised by Mega Georgetown Pty Ltd that it was retiring from the joint venture on uranium search on QGM's Georgetown properties.

RUTHERFORD'S TABLE (ML 1035 & ML 1060)

All activity is on hold and a review will be undertaken in 2009 to assess the alluvial resources. Equipment on site is currently being hired to Maximus Resources Ltd for approximately \$30,000 per month.

TOP CAMP (MLs 2764, 2785, 2786 & 2792)

There has been no activity in these MLs during the quarter.

BUCHANAN'S CREEK PROJECT (40 km southwest of Georgetown)

Active exploration was suspended pending the granting of a mining lease at **Grant's Gully**, which also involved negotiation of agreements with landowners and traditional owners.

GEORGETOWN AREA URANIUM (40 km southwest & 140 kilometres southeast of Georgetown)

Mega Georgetown Pty Ltd (Mega), a subsidiary of Canadian listed Mega Uranium Inc advised QGM that it wished to withdraw from the joint venture over QGM's Buchanan's Creek and Werrington projects involving EPMs 13694, 13271, 14128 and 14224 and EPMA's 14988 and 16148 in the Georgetown region..

Mega had defined targets in the **Buchanan's Creek** and **Werrington** project areas but decided against drilling these in light of the market downturn.

MALCOLM CREEK (80 km south of Georgetown)

During the quarter the finalisation of the joint venture agreement with Newmont Exploration Pty Ltd on the Bald Mountain prospect was completed. Field work is expected to commence after the wet season in early 2009.

For further information please refer to the ASX Release dated 21 August 2008.

WARROO PROJECT (60 km west of Stanthorpe)

The company is currently negotiating a joint venture agreement on this property. Work is to be focused on an area known as Ti-tree ridge, a recent discovery where rock chip sampling of subcrop returned gold assays up to 10g/t.

The Exploration Permit has been renewed for another 5 years.

WERRINGTON (140 km southeast of Georgetown)

The Drake Resources Ltd – Zinifex Ltd Alliance failed to conduct any field work to the end on the quarter so is technically in breach of the conditions of its joint venture. In light of the fact that we now have expenditure commitments to carry forward the project, it was decided to relinquish the property.

WALWA (40 km west of Corryong, Victoria)

A drilling programme planned for late spring and early summer was cancelled and we have withdrawn from the option to explore the tin-tantalite tenement.

EVELEIGH (60 km east of Georgetown)

Two zones of strongly anomalous tin in rock chip samples were defined in areas of sparse outcrop: A 1 square kilometre area, BD prospect, contains 54 rock chip samples which averaged 0.1% tin and a 0.5 square kilometre zone, Kelly's End South, contains 19 rock chip samples which averaged 0.25% tin. Soil sampling on 50m x 50m grids were completed on both of these areas and samples submitted for analysis.

SUNDOWN (30 kilometres southwest of Stanthorpe)

An Exploration Permit was recently granted over a tin-bearing zone of alteration covering some 2 square kilometres. Previous exploration in the early 1980s by BHP and Shell involved only limited drilling on several sections of this large anomalous area. The previous exploration company database is being converted to a computerized GIS format preparatory to further exploration.

The Sundown acquisition related to a strategy to assemble a portfolio of tin projects in response to strong increases in the tin price. Apart from Sundown this portfolio also includes Buchanan's Creek, Malcolm Creek, Eveleigh and Walwa. The Walwa, Buchanan's Creek and Malcolm Creek alteration zones also contain substantial tantalum and niobium.

CORPORATE DEVELOPMENTS

On 10 November the Directors of QGM accepted an offer from Metallica Minerals Ltd (MLM) to acquire a strategic investment in the Company. Metallica made an initial placement of 7,702,500 ordinary fully paid shares at an issue price of 0.75 cents per share to raise \$57,569. MLM will also provide a further \$292,231 (38,964,133 shares at 0.75 cents per share) in convertible note funding to QGM and to possibly facilitate the vend in one or two southeast Queensland coal properties for ordinary fully paid shares in QGM.

Following this investment, Mr Wayne Reid (Chairman) and Mr Robin Andrews (Non-Executive Director) resigned from the Board of Directors. Mr David Barwick was appointed Chairman and Mr Andrew Gillies as Director.

For further information please refer to the ASX Release dated 14 November 2008.

Adrian Day
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In accordance with Listing Rules 5.10, 5.12 and 5.1 of the Australian Stock Exchange Limited, technical information contained in this report has also been compiled by Mr. Adrian Day BSc (Geol), MAIG, MSEG, MGSA and Queensland Gold and Minerals Ltd, Exploration Manager, Mr John Nethery B.Sc (Geol), Dip Education, CP (Geo), Fellow AusIMM, FAIG, FSEG, MGSA who are competent persons and members of the Australasian Institute of Mining and Metallurgy and Australian Institute of Geoscientists. Mr Day and Mr Nethery have relevant experience to the mineralisation being reported on to qualify as Competent Persons as defined by the Australasian Code for Reporting of Minerals Resources and Reserves. Mr Day and Mr Nethery consent to the inclusion in the report of the matters based on the information in the form and context in which it appears.

Tenement Details as at 30 November 2008

Tenement	Project Name	Registered Holder	Status	Date of Grant	Number of Sub-Blocks	Commodity	Minimum Expenditure
EPM 13271	Grants Gully	QGM 100%	Granted Renewal lodged	18/7/2001	5	Tantalum Gold, Tin	\$40,000
EPM 13694	Grants Gully	QGM 100%	Granted	3/12/2002	12	Tantalum Gold, Tin	\$75,000
EPM 14224	Grants Gully	QGM 100%	Granted	30/7/2004	7	Tantalum Gold, Tin	\$25,000
EPM 14988	Grants Gully	QGM 100%	Appln (07/02/05)		5	Tantalum Gold, Tin	\$20,000
EPM 13744	Eveleigh	QGM 100%	Granted Renewal lodged	3/12/2002	20	Gold, Tin	\$50,000 pa
EPM 14231	Malcolm Creek	F H Skerritt 50% S B Terry 50%	Granted	26/8/2004	17	Gold	\$50,000
EPM 13831	Warroo	QGM 100%	Granted	14/5/2003	50	Gold Copper	\$200,000
EPM 16961	Sundown	QGM 100%	In process of grant		19	Tin	
Tenement	Project Name	Registered Holder	Status	Date of Grant	Area (ha)	Commodity	Minimum Expenditure
MLs 2764 ML 2785 ML 2786 ML 2792	Top Camp Top Camp Top Camp Top Camp	QGM 100% QGM 100% QGM 100% QGM 100%	Granted Granted Granted Granted		407	Gold Copper	N/A
ML 3311 ML 30123 MLA 30208	GrantsGully	QGM 100% QGM 100% QGM 100%	Granted Granted Application		96	Tantalum Gold, Tin	N/A
ML 1035 ML 1060	Rutherfords Table	QGM 100% QGM 100%	Granted Granted		244	Gold	N/A

EPM = Exploration Permit for Minerals
ML = Mining Lease