



QUEENSLAND ORES LTD

20 November 2008

CHAIRMAN'S ADDRESS ANNUAL GENERAL MEETING

Thanks for attending today's meeting. We all appreciate your attendance.

We know that you are disappointed with the performance of your shares, as are we. I do not propose to make excuses. However, your Managing Director, Taff Greenwood, and I feel it is our duty to explain the situation. We will provide a background to the position we are now in and outline our plan to resolve the challenges we are currently facing.

I will allow Taff to provide more detail but, to put it in a nutshell, we simply ran out of time and funds to continue operations. At the commencement of processing three months ago we aimed to be generating cash flow from concentrate.

Despite the tireless efforts of our management team and the staff at Wolfram Camp to bring the mine and plant up to design capacity, we have not yet achieved this. We now have sufficient information to indicate that it will take some time to resolve the mining and treatment issues. Resolving these issues will require additional funds, which are extremely difficult to obtain in the present financial climate.

As such we have suspended the operations to minimise our costs while we attempt to determine how we can modify the mining procedure and the treatment plant to produce acceptable product at a rate which makes the Wolfram Camp project viable. We are examining every source to secure funding to allow this work to proceed.

The decline in the exchange rate of the Australian dollar relative to the US dollar has been helpful. Unfortunately, the drop in molybdenum price and the potential fall in tungsten have negated any exchange rate benefit.

As well as searching for funding, we are also examining the potential other assets of QOL to assist in securing the future of the Company. Mt Cannindah has great potential as a copper deposit and we will try to find other parties who can help us advance it, while assisting the company cover costs.

Despite the significant challenges I can assure you that all members of the QOL team will continue our best efforts on behalf of the shareholders.

Roger Marshall
Chairman
Queensland Ores Ltd

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