



10 July 2009

## **QOL – LETTER TO FOREIGN SHAREHOLDERS**

The attached letter from Orbit Capital Pty Ltd regarding the recent rights issue was forwarded to the Company's foreign shareholders today.

Orbit Capital is the nominee appointed by the company to receive the shares to which Foreign Shareholders would otherwise have been entitled to receive under the Rights Issue and to dispose of those Foreign-allocated Shares.

In accordance with the Listing Rules of the ASX, QOL considered the number of shareholders with registered addresses outside Australia and New Zealand and concluded that it was unable to extend the offer to those shareholders due to a number of factors including; the number and value of the new shares that would be offered pursuant to the Rights Issue and the costs of complying with the legal requirements and the requirements of the regulatory authorities relating to the shareholders with registered addresses outside Australia and New Zealand..

However, in order for the Rights Issue to satisfy the takeover provisions of the *Corporations Act 2001 (Cwlth)*, QOL was required to appoint a nominee to:

- receive the shares to which Foreign Shareholders would otherwise be entitled to receive under the Rights Issue (Foreign-allocated Shares);
- sell those Foreign-allocated Shares; and
- proportionately distribute to the Foreign Shareholders the proceeds of sale (net of expenses) from the sale of those Foreign-allocated Shares.

The Company appointed Orbit Capital as the Foreign shareholders' nominee to deal with the shares on their behalf and the attached letter represents their report to the shareholders on the disposition of their shares they would otherwise have been entitled to receive under the Rights Issue.

### **For further information:**

John Haley  
Company Secretary  
Queensland Ores Limited

Tel: 07 3891 9611



10 July 2009

**Queensland Ores Limited Rights Issue –Allocation to Foreign Share Holders**

We refer to the letter from Queensland Ores Limited (QOL, the Company) dated 11 June 2009 that you would have received regarding the non- renounceable rights issue (Rights Issue) previously announced by QOL.

As advised in that letter, the Company was unable to extend the offer to shareholders with registered addresses outside Australia and New Zealand due to a number of factors including; the number and value of the new shares that would be offered pursuant to the Rights Issue and the costs of complying with the legal requirements and the requirements of the regulatory authorities relating to the shareholders with registered addresses outside Australia and New Zealand,

In accordance with the Listing Rules of the ASX and to satisfy the takeover provisions of the *Corporations Act 2001 (Cwlth)*, QOL appointed Orbit Capital Pty Ltd (AFSL 230327) as nominee to:

- (a) receive the shares to which Foreign Shareholders would otherwise be entitled to receive under the Rights Issue (**Foreign-allocated Shares**);
- (b) sell those Foreign-allocated Shares within 30 days of the closing date of the Rights Issue; and
- (c) proportionately distribute to the Foreign Shareholders the proceeds of sale (net of expenses) from the sale of those Foreign-allocated Shares.

We advise that the Foreign Allocated Shares were allotted to Orbit Capital Pty Ltd on 7 July 2009 and disposed on market on 8 July 2009 at \$0.009 per share.

The net proceeds of the acquisition and sale were as follows:

	\$
<b>Sale proceeds</b>	
1,471,450 shares at \$0.009 ea	13,243.05
Less Brokerage	(110.00)
<b>Proceeds</b>	<b>13.133.05</b>
<b>Acquisition cost</b>	
1,471,450 shares at \$0.009 ea	<b>13,243.05</b>
<b>Surplus / (Deficiency)</b>	<b>(110.00)</b>

As the acquisition and sale process resulted in a deficiency of \$110, we confirm that there are no net proceeds to distribute to Foreign Shareholders in accordance with the terms of the appointment.

Yours Faithfully

Greg Baynton  
Managing Director  
Orbit Capital