



13<sup>th</sup> March 2008  
**ASX/MEDIA RELEASE**

**Outback Metals Limited (ASX Code: OUM) takeover bid for  
Queensland Ores Limited (ASX Code: QOL): bidder's statement**

Pursuant to item 5 of section 633(1) of the Corporations Act 2001 (Cth) we enclose a copy of the Bidder's Statement (including acceptance form) in relation to the takeover bid for all the shares in Queensland Ores Limited.

A copy of the bidder's statement was lodged with ASIC and sent to Queensland Ores Limited to-day.

Regards,

A handwritten signature in black ink that reads "James Cooper-Jones".

James Cooper-Jones  
Company Secretary



**outback**metals



# Bidder's Statement

BY

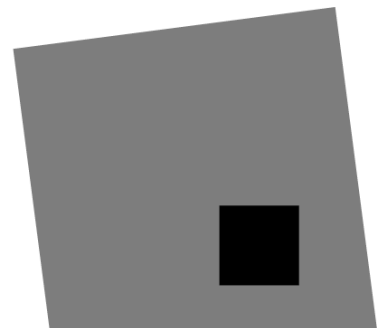
**Outback Metals Limited**  
ACN 126 797 573

**OFFER TO ACQUIRE ALL ORDINARY SHARES**

**IN QUEENSLAND ORES LIMITED**

**ACN 108 146 694**

**ACCEPT**



**Bidder's Statement by Outback Metals Limited (ACN 126 797 573)**

13 March 2009

THIS DOCUMENT CONTAINS IMPORTANT INFORMATION AND REQUIRES YOUR IMMEDIATE ATTENTION. THIS IS AN IMPORTANT DOCUMENT AND SHOULD BE READ IN ITS ENTIRETY. IF YOU ARE IN ANY DOUBT AS TO HOW TO DEAL WITH THIS DOCUMENT, YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL OR OTHER PROFESSIONAL ADVISER AS SOON AS POSSIBLE.

To accept the Offer you should follow the instructions on the enclosed personalised Acceptance Form.

If you have any questions about the Offer, this document or how to accept the Offer, please contact the Chief Executive Officer (Chris Jordinson) or Company Secretary (James Cooper-Jones) of Outback Metals Limited on + 61 2 9420 7200.

If you are not inclined to accept the Offer immediately please retain this Bidder's Statement and personalised Acceptance Form for future action.

This Bidder's Statement was lodged with the Australian Securities and Investments Commission ("ASIC") on 13 March 2009. ASIC takes no responsibility for the content of this Bidder's Statement.

# Table of Contents

<b>Section 1</b>	Important information
<b>Section 2</b>	Chairman's letter
<b>Section 3</b>	Detail of the Offer
<b>Section 4</b>	Reasons why you should accept OUM's offer
<b>Section 5</b>	Frequently asked questions
<b>Section 6</b>	Profile of OUM
<b>Section 7</b>	OUM's financial information
<b>Section 8</b>	Information about OUM securities
<b>Section 9</b>	Profile of Queensland Ores Limited
<b>Section 10</b>	OUM's intentions in relation to QOL
<b>Section 11</b>	Profile of the Merged Group
<b>Section 12</b>	Investment risks
<b>Section 13</b>	Taxation information
<b>Section 14</b>	Other material information
<b>Section 15</b>	Formal terms of the Offer
<b>Section 16</b>	Conditions of the Offer
<b>Section 17</b>	Approval of the Bidder's Statement
<b>Section 18</b>	Glossary

## Key Dates

Date of Offer

**13<sup>th</sup> March, 2009**

Closing date of Offer (unless extended or withdrawn)\*

**17<sup>th</sup> April, 2009**

\*This date is indicative only and may change as permitted by the Corporations Act.

## Annexures

A: Material announcements relating to the Offer  
B: OUM's past announcements to ASX  
C: QOL's past announcements to ASX

# Section 1

## Important Information

### 1. Bidder's Statement

This document is a Bidder's Statement dated and lodged with ASIC on 13 March 2009 and is given by Outback Metals Limited (the Bidder or OUM) to Queensland Ores Limited (QOL) under Part 6.5 of the Corporations Act. This document includes an offer to acquire your QOL Shares (Offer) and also sets out certain disclosures required by the Corporations Act together with the terms of the Offer to acquire your QOL shares.

### 2. Investment risks

There are a number of risks that may have a material impact on the implementation of the Offer, the future performance of the Merged Group and the value of OUM shares. These are described in section 12 of this document and include the risk to revenue from prevailing metal prices, the risk that appropriate development consents and approvals will not be obtained, the risk that developments will be delayed, usual risks associated with mining and production activities, cost risks associated with integrating the operations and the risk that the cash position of the Merged Group is at any time insufficient.

### 3. Notice to foreign shareholders

The distribution of this document may, in some countries, be restricted by law or regulation. Accordingly, persons who come into possession of this document should inform themselves of and observe these restrictions.

This document has been prepared having regard to Australian disclosure requirements and Australian accounting standards. These disclosure requirements and accounting standards may differ from those in other countries.

This document does not constitute an offer to sell to QOL shares, or a solicitation of an offer to purchase from QOL shareholders, any securities in OUM or QOL in any jurisdiction in which such an offer or solicitation would be illegal. In particular, QOL shareholders who are Ineligible Overseas Shareholders are not offered, and will not be issued with, OUM shares.

### 4. Forward-looking statements

Statements contained in this document may contain forward-looking statements including statements with respect to OUM's current intentions (which include those in section 10), statements of opinion and predictions of possible future events. Statements in this document that are not historical facts are "forward-looking statements".

Forward-looking statements relate to future matters and are subject to inherent risks and uncertainties. These risks and uncertainties include risks that are specific to the mineral resources industry and the tin, copper, gold, uranium and other base metals industry as well as matters such as general economic conditions, many of which are outside the control of OUM and its Directors. These factors may cause

the actual results, performance or achievements of OUM, QOL or the Merged Group to differ, perhaps materially, from the results, performance or achievements expressed or implied by those forward-looking statements. The past performance of OUM is not a guarantee of future performance.

The forward-looking statements do not constitute a representation that future profits (or any other matter) will be achieved in the amounts or by the dates indicated and are presented as a guide to assist QOL shareholders in assessing the Offer. The financial information and other forward-looking statements are based on information available to OUM or QOL at 31<sup>st</sup> December 2008 and should be read in conjunction with the assumptions underlying their preparation as set out in section 11.

Actual outcomes may differ materially from the events, intentions or results expressed or implied by any forward-looking statement in this document.

None of Bidder, its officers, or persons named in this document with their consent or any person involved in the preparation to this document makes any representation or warranty (express or implied) as to the accuracy or likelihood of fulfilment of any forward-looking statement, or any intentions or outcomes expressed or implied in any forward-looking statement. You are cautioned not to place undue reliance on any forward-looking statement having regard to the fact that the outcome may not be achieved. Any forward-looking statement in this document reflect views held only as at 13 March 2009.

Subject to any continuing obligations under the law or the Listing Rules, OUM and its Directors disclaim any obligation

or undertaking to disseminate after 13 March 2009 any updates or revisions to any forward-looking statement to reflect any change in expectations in relation to those statements or any change in events, conditions or circumstances on which any such statement is based.

## **5. Estimates and assumptions**

Unless otherwise indicated, all references to estimates, assumptions and derivations of the same in this document are references to estimates, assumptions and derivations of the same by OUM its directors and management. Management estimates and assumptions are based on views at 13 March 2009, and actual facts or outcomes may be materially different from those estimates and assumptions.

## **6. Investment decisions**

The information provided in this document is not investment advice and has been prepared without taking into account your individual investment objectives, financial circumstances or particular needs. You should seek independent financial and taxation advice from your financial or other professional adviser before deciding whether to accept the Offer.

## **7. Notice to QOL shareholders in New Zealand**

In offering OUM shares under the Offer in New Zealand, OUM is relying on the Securities Act (Overseas Companies) Exemption Notice 2002. This document is not a Prospectus or an Investment Statement under New Zealand law, and does not contain the information that a Prospectus or Investment Statement under New Zealand law is required to contain. New Zealand investors should seek their own advice and satisfy

themselves as to the Australian and New Zealand tax implications of participating in the Offer.

## **8. Internet sites**

Each of OUM and QOL maintains an internet site. The OUM website is at the URL [www.outbackmetals.com](http://www.outbackmetals.com) and the QOL website is at the URL [www.qol.com.au](http://www.qol.com.au). Information contained in or otherwise accessible through these internet sites is not a part of this document. All other references in this document to these internet sites are for your information only.

## **9. Privacy**

The Bidder and its share registry, Registries Limited, may collect your information in the process of making and implementing the Offer, including information from the register of QOL shareholders for the purposes of making the Offer and, if accepted, administering your holding of QOL shares. Your information may be disclosed on a confidential basis to the Bidder or its related bodies corporate and external service providers, and may be required to be disclosed to regulators, such as ASIC.

## **10. Defined terms**

A number of defined terms are used in this document. Unless expressly specified otherwise, defined terms have the meaning given in the Glossary in section 18.

All references to \$, A\$, dollars, ¢ and cents are to Australian currency unless specified otherwise.

## **11. Effect of rounding**

A number of figures, amounts, percentages, prices, estimates, calculations of value and fractions in this document, including but not limited to those in respect of the alternative forms of consideration, are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this document.

# Section 2

## Chairman's Letter

Friday, 13 March 2009

Dear QOL shareholder,

On behalf of the directors of Outback Metals Limited ("OUM"), I am pleased to enclose an offer by OUM to acquire all of your shares in Queensland Ores Limited ("QOL").

The Offer is 1 OUM share for every 4.79 QOL shares that you hold. The combination of OUM and QOL will create a stronger junior exploration company with significant exploration potential in tin, copper, wolfram, gold, uranium and other base metals. We believe that combining the assets of OUM and QOL through this transaction makes a great deal of common sense for the shareholders of both companies. I encourage you to carefully consider the many benefits that this will provide.

The rationale behind OUM's Offer is the mineral exploration tenements held by OUM and QOL are highly complementary, given the processing similarities of the minerals contained. The plant at Wolfram Camp has process similarities to those used in tin and copper recovery. A single combined OUM operation will have a larger resource base, lower cost structures and a lower risk profile.

The benefits from our Offer extend beyond OUM. OUM has done a considerable amount of work in relation to the issues of the closure of the Wolfram Camp Project and believe that with a fresh approach there may be the opportunity to re-commission the plant. The Merged Group will also hold an attractive portfolio of long term growth projects including Mt Wells tin and copper project as well as an extensive portfolio of exploration prospects.

If our offer for QOL is successful, the Merged Group will emerge as a stronger and more diversified group and one with greater capacity to attract interest from the wider investment community. I am confident the Merged Group, with its broader asset base, will be better placed to withstand cyclical downturns in metal prices and the volatility in the broader financial markets.

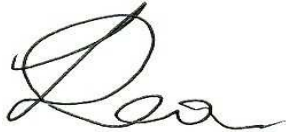
I encourage you to read this Bidder's Statement carefully. If OUM acquires all QOL shares QOL shareholders will hold approximately 23% (undiluted) of OUM, and you will therefore be in a position to participate on a similar basis with OUM shareholders in the significant benefits and value the combination of OUM and QOL will create. As with any investment there are risks and these are described in section 12 of this document.

The Offer is open until 5.00 pm (Sydney time) on Friday, 17 April 2009.



If you have any questions about the Offer please do not hesitate to contact the offices of OUM from outside or within Australia on + 61 2 9420 7200.

Yours sincerely

A handwritten signature in black ink, appearing to read 'L. Dean', written in a cursive style.

Leonard Anthony Dean  
Chairman  
Outback Metals Limited

# Section 3

## Details of the Offer

### 1. Overview of the Offer

On the 18<sup>th</sup> February 2009 OUM announced that it proposed to make an offer for all the issued shares in QOL.

The following is a summary of the Offer and how to accept the Offer, and is qualified by detailed information contained in the rest of this document. You should read this document in its entirety before deciding how to deal with your QOL shares. The detailed terms of the Offer are set out in section 15.

### 2. Bidder

The Offer is being made by OUM. OUM is an ASX listed junior explorer with a substantial portfolio of exploration tenements in the Northern Territory. Further details about OUM are set out in section 6.

### 3. The Offer

OUM is offering to acquire all QOL shares held by you. The Offer is:

1 OUM share for every 4.79 QOL shares held by you.

### 4. The Offer Period

The Offer is scheduled to close at 5.00 pm (Sydney time) on Friday, 17 April 2009. The Offer Period may be extended or withdrawn in accordance with the Corporations Act.

### 5. Payment date

If you accept the Offer, Bidder will pay you the Offer Consideration within one month after the later of receipt of your acceptance

and the date on which the Offer becomes unconditional, and in any event before 21 days after the end of the Offer Period. Ineligible Overseas Shareholders will receive their Offer Consideration after the close of the Offer in accordance with the procedures set out in section 15.9

Full details of when payment will be made are set out in section 15.

### 6. Conditions

The Offer is subject to the conditions set out in section 16. These conditions include (but are not limited to):

- That at the end of the Offer Period OUM and its associates have a relevant interest in at least 90% of QOL Shares on issue;
- No prescribed occurrence between the date of announcement and the end of the Offer Period;
- No action by Regulatory Agency materially adversely affecting the Offer;
- Receipt of the necessary regulatory approvals;
- No further dividends, distributions or redemptions;
- Conditions relating to changes in the business, assets, liabilities, financial position, performance, profitability or prospects of QOL;
- Conditions relating to the conduct of QOL's business during the Condition Period;
- A condition relating to QOL's disclosure obligations;
- No person exercising rights under certain agreements or instructions

- That all outstanding QOL share options be exercised or cancelled before the end of the Offer Period;
- No material adverse change;
- No material defect in documents filed by QOL.

## 7. How to accept the Offer

Please refer to section 15 and your personalised Acceptance Form (which accompanies this Bidder's Statement) for more details on how to accept the Offer.

Subject to sections 15.5(b) and 15.6(h) of this Bidder's Statement, the Offer may only be accepted for all of your QOL shares. How you accept the Offer depends on whether your QOL shares are held in an Issuer Sponsored Holding or a CHESS Holding. This information is contained on your personalised Acceptance Form.

If you hold your QOL shares in an Issuer Sponsored Holding, complete and sign the Acceptance Form and lodge it by returning it to one of the addresses set on the Acceptance Form.

If you hold your QOL shares in a CHESS Holding:

- Instruct your Controlling Participant (normally your Broker) to initiate acceptance of the Offer in accordance with Rule 14.14 of the ASTC Settlement Rules; or
- Complete, sign and send the Acceptance Form directly to your Controlling Participant; or
- Complete and sign the form and lodge it by either;
- Returning it to one of the addresses set out in the Acceptance Form; or

- Completing, signing and sending the Acceptance Form directly to OUM's share registry (being Registries Limited), which will authorise OUM to instruct your Broker to initiate acceptance of the Offer on your behalf.

If you are a Participant (typically, a stockbroker who is a participating organisation of ASTC), the above does not apply. To accept the Offer, you must initiate acceptance in accordance with the ASTC Settlement Rules before the expiry of the Offer Period.

Your acceptance must be received in sufficient time for it to be processed by no later than 5.00pm (Sydney time) on Friday, 17 April 2009 unless the Offer is extended. Please send your completed and signed Acceptance Form (and other documents, if any, required by the instructions on the Acceptance Form) by mail to:

Registries Limited  
Outback Metals Limited Offer  
GPO Box 3993  
SYDNEY NSW 2001

Alternatively you can deliver in person to:

Registries Limited  
Outback Metals Limited Offer  
Level 7, 207 Kent Street  
Sydney NSW 2000

A reply-paid envelope is enclosed for you to return your Acceptance Form (and other documents, if any, required by the instructions on the Acceptance Form).

If you have any questions or require additional assistance on how to accept the Offer, please contact the offices of OUM on + 61 2 9420 7200.

## **8. Taxation considerations for QOL shareholders**

A general guide to potential Australian tax consequences of the Offer is set out in section 13. This guide is expressed in general terms and is not intended to provide taxation advice in respect of the particular circumstances of any QOL shareholder. QOL shareholders should seek their own taxation advice.

## **9. Stamp duty and brokerage charges**

You will not pay any stamp duty in connection with the Offer, either on the transfer of your QOL shares to OUM or on the issue of OUM shares to you.

If your QOL shares are in a CHESS Holding or you hold your QOL shares through a bank, custodian or other nominee, you should ask your Controlling Participant (usually your Broker) or the bank, custodian or other nominee whether it will charge any transaction fees or service charges in connection with your acceptance of the Offer.

If you are an Ineligible Overseas Shareholder, the proceeds you will receive will be net of sale costs including brokerage charges.

## **10. Treatment of Ineligible Overseas Shareholders**

OUM shares will not be issued as consideration to Ineligible Overseas Shareholders, being QOL shareholders whose address on the QOL share register on the Register Date is in a jurisdiction other than Australia or New Zealand. The issue of OUM shares to QOL shareholders outside Australia or New Zealand may be prohibited by the laws of the jurisdictions in which they reside, or may require compliance with conditions or legal

requirements which OUM regards as onerous. Please see section 15.9 for further details.

## **11. Treatment of QOL performance rights and option holders**

The Offer extends to any person who becomes registered or entitled to be registered as a holder of QOL shares during the period from the Register Date to the end of the Offer Period due to the conversion of QOL performance rights and options into QOL shares which are on issue on the Register Date. Please see section 15 for further details.

## **12. Investment risks**

There are a number of risks that you may have a material impact upon the implementation of the Offer, the future performance of the Merged Group and the value of OUM shares. These are described in this document and include those risks set out in section 12.

# Section 4

## Reasons why you should accept OUM's Offer

### 38%\* Premium to QOL Shareholders

OUM's Offer provides a premium to the closing price as at 12 March 2009 of 38% for your QOL shares and provides an opportunity for enhanced value in the future

### Increased Cash Reserves

Upon success of the offer the cash reserves of OUM will be available to the merged entity, ensuring QOL continues as a going concern in the immediate future.

### Complementary Assets

OUM's and QOL's tenements contain minerals that are similar, and the synergy in merging the companies has the potential to create value in excess of what is achievable for each company on a standalone basis.

### Focussed Value Creation Strategy

OUM has a clear strategy focussed on creating value for both sets of shareholders.

### Enhanced Investment Security

The Merged Group will have a diversified portfolio of assets with one production asset that could possibly be re-commissioned back into production in the near to medium term as well as other prospective exploration tenements.

## 1. 38%\* Premium to QOL Shareholders

OUM's Offer provides a premium for your QOL shares of 38%\*

\*Based on closing prices of 0.9 of a cent and 5.0 cents for QOL and OUM respectively, as at the close of trading on 10 February 2009 the last day the shares of each company were traded, prior to the Takeover Bid being announced. The closing prices of QOL and OUM as at the close of trading 12 March 2009, being the day before the date of the lodgement of the Bidder's Statement, were 0.6 of a cent and 4.0 cents respectively. Since the announcement of the Offer the premium has varied from time to time and at the close of trading on 12 March 2009, the day prior to the date of the Bidder's Statement was 38%.

QOL shareholders should be aware that there have been significant movements in the market prices of both QOL shares and OUM shares since the Takeover Bid was announced on 18 February 2009. Consequently the premium inherent in the Offer changes on a daily basis.

## 2. Increased Cash Reserves

As set out in the QOL Directors Report, contained in the half yearly financial report for the period ended 31 December, 2008 QOL's current limited activities are currently being funded by a \$600,000 loan from OUM, which is repayable by 30 June, 2009. As stated by the Directors of QOL in the Directors Report, should this offer not be successful and in the absence of an alternative corporate transaction or alternative funding being available then there is significant uncertainty as to whether QOL will be able to continue as a going concern and therefore whether it will realise its assets and liabilities in the normal course of business.

Upon success of the offer the cash reserves of OUM would be available to the merged entity. The OUM Board is confident on the information provided by QOL that OUM's current cash reserves will be enough to remove any doubt of the merged entity continuing as a going concern in the immediate future.

### 3. Complementary Assets

QOL's and OUM's operations are highly complementary. The directors of OUM are confident that greater value can be realised for shareholders than either company can achieve on a standalone basis.

### 4. Focussed Value Creation Strategy

OUM has a clear strategy focussed on delivering value for both sets of shareholders by creating a tin, copper, gold, uranium and other base metals producer through the logical combination of mineral assets.

The combination of OUM and QOL will:

- Allow the Merged Group to maximize the capacity of both companies' asset bases while possibly lowering unit operating and capital costs as commodity prices recover
- Capitalise on near term synergies and cost savings delivering value to all shareholders and cushioning the Merged Group in times where commodity prices are weak
- Allow for more efficient and productive allocation of staff and pooling of common resources

The combination of OUM and QOL will create a Merged Group that will have complementary ore types and the potential to create value for all shareholders.

The focused value creation strategy referred to above has associated risks. These are described in section 12 of this document and include the risk to revenue from prevailing metal prices, the risk that appropriate development consents and approvals will not be obtained, the risk that commissioning will be delayed, usual risks associated with mining and production activities, cost risks associated with integrating the operations and the risk that the cash position of the Merged Group is at any time insufficient.

## 5. Enhanced Investment Security

The Merged Group will have a well diversified portfolio of assets with one production asset that can possibly be re-commissioned in the near to medium term and a prospective exploration tenement package to support longer term viability and growth.

- The possible re-commissioning of the Wolfram Camp Project, which is currently on care and maintenance.
- Prospective exploration position in the Northern Territory and Queensland.
- Low political risk with all assets located in Australia.



# Section 5

## Frequently asked questions

The information in this section is a summary only of OUM's Offer and is qualified by the detailed information set out elsewhere in this Bidder's Statement.

You should read the entire Bidder's Statement and the Target's Statement that will be shortly sent to you, before deciding whether to accept the Offer.

<b>Question</b>	<b>Answer</b>	<b>Further Information</b>
What is the Offer?	OUM is offering to buy all QOL shares including QOL shares that are issued during the Offer Period due to the conversion of any QOL options or performance rights, on the terms set out in this Bidder's Statement.	Section 15.1
Who is making the Offer?	The Offer is being made by Outback Metals Limited.	Section 6
Are there any conditions to the Offer?	Yes. The conditions are set out in detail in section 16 of this Bidder's Statement and include a 90% minimum acceptance condition.	Section 16
What happens if the conditions are not waived or satisfied?	If the conditions to the Offer are not satisfied or waived by the Closing Date including any extensions to the Closing Date, the Offer will lapse.	Section 15.11
What is this Bidder's Statement?	This Bidder's Statement sets out the terms of the Offer for your QOL shares and information relevant to your decision on whether or not to accept the Offer. It has been issued by Bidder under Part 6.5 of the Corporations Act for distribution to QOL shareholders. This Bidder's Statement is an important document. If you are in any doubt as to how to deal with this Bidder's Statement, you should consult your Broker or your legal, financial or other professional adviser as soon as possible.	

<b>Question</b>	<b>Answer</b>	<b>Further Information</b>
What happens if I accept the Offer?	If you accept the Offer and the Defeating Conditions are satisfied or waived OUM will acquire your QOL shares. In return you will receive 1OUM share for every 4.79 QOL shares you hold.	Sections 15.1 and 15.7
When will I be paid?	If you accept the Offer you will receive the Offer Consideration on or before the earlier of:  one month after the date the Offer is validly accepted by you or, if the Offer is conditional when accepted, within one month after the Offer or the contract resulting from your acceptance of the Offer becomes unconditional; and 21 days after the end of the Offer Period.	Section 15.8
What if I accept the Offer and OUM increases the Offer consideration?	In accordance with the Corporations Act, if OUM increases the Offer Consideration, you will receive the higher consideration irrespective of when you accepted the Offer. If you have already been issued with OUM shares due to you under the Offer, you will receive the difference between the amount you have already received and the higher consideration.	
If I accept the Offer what dividends will I receive on OUM shares in the future?	If you accept the Offer, you will be entitled to receive any dividends and distributions paid to OUM shareholders in the future for each OUM share received as Offer Consideration and issued by the relevant record date. OUM has paid no dividends to date. Future dividends of OUM will be at the discretion of the OUM Board. The level of dividends declared by the OUM Board will be subject to a number of factors including profits, cash flow and capital requirements.	

<b>Question</b>	<b>Answer</b>	<b>Further Information</b>
Do I have to pay stamp duty or brokerage charges if I accept the Offer?	You will not pay any stamp duty if you accept the Offer. If your QOL shares are registered in an Issuer Sponsored Holding in your name and you deliver them directly to OUM, you will not incur any brokerage charges in connection with your acceptance of the Offer. If your QOL shares are in a CHESS Holding or you hold your QOL shares through a bank, custodian or other nominee, you should ask your Controlling Participant (usually your Broker) or the bank, custodian or other nominee whether it will charge any transaction fees or service charges in connection with your acceptance of the Offer. If you are an Ineligible Overseas Shareholder, the proceeds you will receive will be net of sale costs including brokerage charges.	Sections 13.4 and 15.9
When does the Offer close?	The Offer closes at 5.00 pm (Sydney time) on 17 April 2009, unless it is extended under the Corporations Act. You will receive written notification of any extension.	Section 15.3
Can I accept the Offer in respect of part of my holding?	Subject to sections 15.5(b) and 15.6(h) of this Bidder's Statement, you may only accept this Offer in respect of all the QOL shares held by you.	
Does the Offer extend to QOL options and performance rights?	No. However, holders of QOL options and performance rights which are converted into QOL shares during the Offer Period will be able to accept the Offer in respect of the QOL shares which they are issued.	Section 15.5
What are the tax implications if I accept the Offer?	The Australian tax implications for most QOL shareholders of accepting the Offer are summarised in general terms in section 13. However, as the information in section 13 is a general guide only, QOL shareholders are encouraged to seek their own specific professional advice as to the taxation implications applicable to their circumstances.	Section 13

<b>Question</b>	<b>Answer</b>	<b>Further Information</b>
How do I accept the Offer?	To accept the Offer you should follow the Instructions set out in section 15.6. To be effective your acceptance must be received by OUM before 5.00 pm (Sydney time) on the Closing Date.	Section 15.6
What if I am an Ineligible Overseas Shareholder?	The Bidder will not allot OUM shares as consideration to Ineligible Overseas Shareholders, being QOL shareholders whose address on the QOL share register on the date allotment calculation is performed is in a jurisdiction other than Australia and its external territories or New Zealand. Any Ineligible Overseas Shareholder who accepts the Offer will have the OUM shares that they would otherwise be entitled to, issued to a nominee, who will sell those OUM shares on ASX, and remit the proceeds of that sale to the Ineligible Overseas Shareholder.	Section 15.9
Can I withdraw my acceptance?	Under the terms of the Offer, you cannot withdraw your acceptance unless a withdrawal right arises under the Corporations Act. Such a withdrawal right will arise if, after you have accepted the Offer, OUM varies the Offer in a way that postpones, for more than one month, the time when OUM has to meet its obligations under the Offer (for example, the time when OUM will provide the Offer Consideration).	

Question	Answer	Further Information
What happens if I do not accept the Offer?	If you do not accept the Offer, you will remain a QOL shareholder. If OUM acquires more than 90% of QOL shares and the other conditions of the Offer are either satisfied or waived, OUM intends to proceed to compulsorily acquire your QOL shares. In that case, you will need to claim the consideration for your QOL shares at the conclusion of this process, being later than QOL shareholders who accept the Offer. If OUM frees its offer from the 90% minimum acceptance condition and acquires more than 50% but less than 90% of QOL shares, then, assuming that all other conditions to the Offer are satisfied or waived, OUM would acquire a majority shareholding in QOL. In that case, if you did not accept the Offer, you would become a minority shareholder in QOL.	
Are there any risks in accepting the Offer?	There are a number of risks associated with the Offer and the ongoing ownership of OUM shares.	Section 12
As a QOL shareholder what choices do I have?	As a QOL shareholder, you have the following choices in respect of your QOL shares: accept the Offer; sell your QOL shares on ASX (unless you have previously accepted the Offer); or do nothing.	
Where do I go for further information?	For any queries in relation to the Offer, please contact the OUM office from within and outside Australia on +61 2 9420 7200 (normal charges apply). Inquiries in relation to the Offer will not be received on any other telephone numbers of OUM or its advisers. Any further material information relating to the Offer will be lodged with ASX and included on the OUM website at <a href="http://www.outbackmetals.com">www.outbackmetals.com</a>	

# Section 6

## Profile of Outback Metals Limited

### 1. Sources of Information

OUM is a “disclosing entity” for the purposes of the Corporations Act and as such is subject to Australian Securities Exchange (“ASX”) continuous reporting and disclosure obligations. OUM will provide, free of charge, a copy of OUM’s 30 June 2008 Annual Financial Statements or a copy of the OUM’s half yearly report to 31 December 2008 to any QOL shareholder who requests a copy during the offer period. Section 14.11 sets out a full list of documents that can be obtained from either OUM or ASIC in respect of OUM.

### 2. Introduction

#### a. Overview

OUM is an ASX listed junior explorer, exploring for tin, copper, gold, uranium and other base metals in the Northern Territory. OUM was officially admitted to the ASX on 27 August 2008 and quoted on the Board on the 2 September 2009.

#### b. History

OUM entered into an Agreement to acquire all of the shares in Corporate Developments Pty Limited (“Corporate”), its wholly owned subsidiary Farmtell Management Pty Limited (“Farmtell”) and Softwood Plantations Pty Limited (“Softwood”) on the 30 August 2007. Corporate, Farmtell and Softwood hold a number of mineral leases, mineral claims, exploration licences and applications for exploration licences in the mineral rich Northern Territory.

#### c. Strategy

OUM’s long term objective is to become a sustainable mineral producer and explorer working towards creating value and above average returns for its shareholders.

OUM will continue to explore and advance its exploration tenements, creating a larger resource base as opportunities and circumstances permit.

#### d. Tin and Copper Markets

OUM believes despite the recent global downturn in metal prices that the fundamentals of the Tin market are strong, given China is an importer of tin, as opposed to historically having been an exporter and the LME inventory levels are still below 10,000 tonnes. Tin had a high of US\$11.566 (then A\$12.389) per pound on the London Metal Exchange “LME” at an inventory level of 7,745 tonnes in LME warehouses on the 15 May 2008. Subsequently, we have seen the

tin price in US dollar term decrease to US\$4.989 (then A\$7.731) per pound and LME inventory increase to 8,845 tonnes as recorded on the 28<sup>th</sup> February 2009. Despite the 57% drop in the tin price on US dollar term, the price in Australian dollar terms however has only decreased by 37% in the same period.

Importantly and unlike other metals tin inventory in LME warehouses has only increased by a moderate 14%, whereas copper inventory, for example has increased by over 350% in the same period.. (sources [www.metalprices.com](http://www.metalprices.com) and [www.rba.gov.au](http://www.rba.gov.au) ) Tin in recent years has had a resurgence having replaced lead in solder, resulting in over 50% of tin being used in the production of solder. China has also diminished its stockpiles and in 2008 it was noted that China became a net tin importer unlike previously when it was a net tin exporter.

### **3. Projects and Exploration**

OUM's primary focus has been on the Mt Wells tin and copper project, which is located 200km's south of Darwin in the Northern Territory. The purpose of the OUM Prospectus dated 4 June 2008 was to raise funds to undertake a drilling programme at the Mt Wells, Maranboy and Yeuralba Projects proving up previously identified targets. In addition OUM had embarked on an aerial radiometric programme at the Wingate Project, to identify anomalies for possible future exploration.

#### **Mt Wells:**

Tin was discovered at Mt Wells in 1879 and worked intermittently between 1885 and 1929 producing 1,555 tonnes of tin concentrate from 101,605 tonnes of ore. The Mt Wells Battery was established on its present site by the Mines Branch of the Northern Territory Administration in 1961.

Existing adjacent infrastructure includes some processing equipment, dams, accommodation, storage buildings & several drives (one equipped with railway tracks & some rolling stock). Electricity & gas supplies are available nearby.

The project is located on granted mining tenements. Subject to the resource status being confirmed & the existing battery and infrastructure at Mt Wells being upgraded it could be possible for the project to be fast-tracked into production. The battery at Mt Wells was significantly upgraded in 1985 by the installation of a rod mill and extra gravity concentrating tables and spirals for recovery of heavy minerals. Infrastructure power and water supply buildings were also upgraded.

Additional base metal exploration potential for tin, copper, uranium, lead & iron ore, manganese & gold is anticipated within the Exploration Licences surrounding Mt. Wells.

Mt. Wells is located on a substantially elevated hill containing en-echelon lodes of copper & tin ore. The Mt. Wells area is dominated by structurally complex suite siltstones, sandy siltstones, phyllites, slates, greywacke, pebble conglomerates of the Burrell Creek Formation (Finniss River Group). Rare carbonates and fine-grained felsic igneous rocks are also present. In the northern east portion the Mount Bonnie Formation outcrops which are mainly composed interbedded

carbonaceous sericitic and commonly pyritic or chloritic slate, phyllite, mudstone and siltstone; fine to coarse felspathic metagreywacke; ferruginous phyllite (metasiltstone) with chert bands, lenses and nodules (prospective for Vein Au, Polymetallic Cu, Pb, Zn, Ag veins). The elevated nature of the ore bodies should assist in the economical disposal of overburden & waste in adjacent valleys.

At Mt. Wells there are six tin-quartz lodes namely;

- East Lode,
- No 1 Copper Lode
- No 2 Copper lode
- Main Lode
- West Lode
- Northwest Lode

BHP assessed the property in 1957/58 followed by Geopeko Pty Ltd in 1966. Jingellic Minerals NL and IMC Corp purchased the Mt Wells leases in 1970, which they subsequently on sold to Territory Resources NL. It subsequently passed to Jingellic Minerals NL in 1984 and to Territory Resources NL in 1986.

Substantial exploration, including drilling, sampling & compilation, has already been carried out on the granted mining tenements at Mt. Wells, & significant exploration targets have been outlined. Investigations in 1957-58 and 1966-77 included 2,000m of diamond drilling

The drilling program carried out by OUM included the twinning (drilled parallel to) of previously drilled exploration holes and testing of the extensions to the north of the main lode. The results to date have been encouraging and provided good correlation to the previously drilled exploration holes and may be included in determining a JORC compliant resource for Mt Wells.

Overall the assay results have been very encouraging and the highlights include:

Tin (Sn)

DHID	Easting (MGA94 )	Northin g (MGA9 4)	Di p	Azimuth (MGA9 4)	Fro m (m)	To (m )	Interv al (m)	Sn% %	Cu %	W %	A u g/ t
NWRC09											
B	793674	8505812	70	105	66	69	3	7.13			
		<i>including</i>			66	67	1	10.4			
		<i>including</i>			67	68	1	4			
		<i>including</i>			68	69	1	10.6			
								0			
								0.35			



### Copper (Cu)

NWRC25	793775	8505774	-60	280	48	53	5	6.53
		<i>including</i>			48	49	1	0.54
		<i>including</i>			49	50	1	1.99
								14.7
		<i>including</i>			50	51	1	3
		<i>including</i>			51	52	1	8.97
		<i>including</i>			52	53	1	6.42

### Wolfram (W)

NWRC11	793667	8505639	-60	105	105	7	2	1.4
						10		7
		<i>including</i>			105	6	1	2.8
						10		1
		<i>including</i>			106	7	1	0.1
								2

### Gold (Au)

NWRC								
02	793763	8505687	70	260	4	5	1	4.97
NWRC								
21	793667	8505634	-60	105	58	62	4	2.01
		<i>including</i>						
		<i>g</i>			58	59	1	0.33
		<i>including</i>						
		<i>g</i>			59	60	1	3.42
		<i>including</i>						
		<i>g</i>			60	61	1	3.41

### Maranboy:

The Maranboy tin field was worked intermittently between 1913 and 1952 (battery closed). Cassiterite (SnO<sub>2</sub>) occurs within quartz-tourmaline fissure lodes which trend east-southeast or south-southeast of which the most important are the Stannum King and Main Lode.

In 1958 the Bureau of Mineral Resources (BMR) conducted an 11 hole diamond core drilling program intersecting ore grade shoots on Anaconda and Osman leases pegged over the central part of the Main Lode. From 1957 – 1959 (United Uranium NL (UUNL) sank a shaft on the Osman lease with a number of drives and crosscuts.

In 1980 CEC Pty Ltd drilled five core holes designed to intersect the Main Lode followed up by a further 12 percussion holes in 1981. Thirteen holes were drilled in 1982 including two diamond core holes namely MAR21 (504m) and MAR22 (396m) designed to intersect deep lode extensions. The remaining 11 percussions holes tested near surface ore shoots and extensions of known ore grade intersections. All percussion holes except one had lode intersections returning assays greater than 0.1% Sn while MAR25 and MAR29 intersected 2.9% Sn over 9 metres and 1.31% Sn over 21 metres respectively.

The Company continues the negotiation process with the Northern Land Council having received agreement from the Jawoyn people to negotiate an agreement on the application for ELA 10423.

### **Wingate:**

The Wingate Mountain project area is located in the central and west part of the polymetallic Halls Creek Mobile Zone, west of the Pine Creek Orogen. The Wingate Mountains area comprises 3 exploration licences covering 761 square kilometres. The Licences are located south west of Rum Jungle in the vicinity of the Giants Reef (GRF)/Victoria River Fault Zone (VRFZ) a potential source of mineralised fluids for numerous mines and mineral deposits from Rum Jungle through into the Kimberley in Western Australia; e.g. the Sally Malay nickel mine. The GRF is interpreted to have significant potential for localized high grade uranium deposits. Recent exploration studies have identified anomalous uranium, Au-Pt-Pd, base metals (nickel/cobalt/lead/copper) and manganese results within the Wingate Mountains project areas.

EL 10140 lies predominantly within the Pine Creek Geosyncline, incorporating lithologies of the Finnis River Group. Within the EL, the Finnis River Group is dominated by the Burrell Creek Formation and the unconformably overlying Chilling Sandstone. The Burrell Creek Formation is dominated by phyllites, schist, mature and immature quartz arenites and conglomerates. The rhyolitic to andesitic Berinka Volcanics are interlayered near the base of the Burrell Creek Formation. The Chilling Sandstone is dominantly mature quartz arenites with minor rhyolitic volcanics.

EL25713 is predominantly composed pisolitic laterite and ferruginous rubble.

Two igneous intrusives occur within EL10140, the Ti-Tree Granophyre which consists of acid intrusive rocks and the Litchfield Complex which consists of granite, adamellite, granodiorite, tonalite and coarse, mostly even-grained xenolithic rocktypes. At Wingate, almost all of the felsic extrusive and intrusive units are radioactive. Radiometric surveys have confirmed above-background uranium levels are commonly present; the prolonged period of heating and cooling of the Cullen granites provided adequate opportunity for the mobilization and concentration of uranium into high grade deposits.

Four gold occurrences are recorded on the licences (Terrys, Bubbles, B1 and Specky Creek), and an additional 75 anomalous results (+ 0.1ppm Au) from stream sediment sampling have been plotted.

The highest gold value recorded at Specky Creek was 180 g/t, but the hard rock source of the sample has not yet been located.

No previous base metals mining production is recorded from the Wingate Mountains Prospect.

The aerial work completed on the Wingate Project, has been reviewed by OUM's geological consultant and they have identified 5 anomalies that are prospective for further exploration. The Company is in the process of formulating an exploration programme that will provide the Company with additional information to expand on the identified anomalies.

### Other Projects:

OUM has a number of other projects which are at varying stages of exploration, they are summarised in the table below:

<b>Uranium Projects</b>	<b>Tin-Tungsten Projects</b>	<b>Base Metals Projects</b>
Bynoe Project	Daly River Project	Daly River Project
Darwin River Dam & Ella Creek Project	Emerald Hill Mine	Mt Diamond Project
Acacia Project		
Douglas Hot Springs Project		
Mt. Tolmer Project		<b>Tantalum Projects</b>
Daly River Project		Bynoe Project

Given the current economic climate, the Company has completed a review of all of the Projects (tenements) and identified a number of those projects (tenements) that OUM will seek joint venture or farm-in arrangements partners to progress the exploration and assist with the expenditure requirements.

#### 4. Safety Performance

OUM has recorded no Lost time injuries to date and has implemented a stringent safety policy to ensure safe work practices.

## 5. Board of Directors

Leonard Anthony Dean

BSc (Metallurgy)

Chairman (Non-Executive Director)

Mr Dean is a Metallurgist who presently consults to Australian and International mining companies. He is currently a Director of Western Plains Resources Limited. Recently, Mr Dean was Managing Director of Sesa Goa Pty Limited, India's largest listed iron ore company. He has also been Chairman of Sesa Kembla Coke Company Limited and Managing Director of Sesa Industries Limited. Previously, Mr Dean was employed by BHP Billiton Ltd for more than 35 years, where he started with a BHP scholarship in 1964 and completed his BHP career as the Vice President of Coal and Iron Ore Marketing, based in Melbourne in 2000. The majority of his time with BHP was spent in iron ore operational and marketing positions. He established BHP Minerals Office in Hong Kong and he played a significant role in developing BHP's business with China.

Richard Anthony McGill

B.E., Diploma Civil Engineering

(Non-Executive Director)

Mr McGill currently acts as an Engineering Consultant for various Australian and International mining companies. From 1995 to November 2004 he was the Director of Mines for the Northern Territory Department of Mines and Energy. Mr McGill was employed with the Northern Territory Department of Mines and Energy for more than 25 years and in 2003 achieved the role of Director of Energy – Northern Territory Department of Business, Industry and Resource Development.

Chee Kok Teo FCCA

(Non-Executive Director)

Mr Teo is a Fellow of the Association of Chartered Certified Accountants of United Kingdom and a Chartered Accountant of the Malaysian Institute of Accountants since 1994. He has 19 years of in-depth experience in the field of auditing, accounting, corporate finance, debt restructurings, mergers and acquisitions in the capital markets in Singapore and Malaysia. During that period, he served in an international public accounting firm and several public companies listed in Singapore and Malaysia. He also holds directorships in many other private companies in Singapore and Malaysia.

Christopher Terence Jordinson  
BCom  
Chief Executive Officer

Mr Jordinson, before joining Outback Metals Limited, was the Chief Executive Officer of Copper Resources Corporation Limited, a company listed on the London Stock Exchange – AIM market. Before joining Copper Resources Corporation Mr Jordinson was Company Secretary of Queensland Ores Limited (ASX code QOL), during which time he assisted Queensland Ores Limited to list on the ASX in May 2005. Mr Jordinson has more than twelve years' experience as a Company Secretary and Financial Controller for various Australian public companies in the mining industry, and advised public companies such as Copper Mines and Metals Limited, Danae Resources Limited and Hargraves Resources NL. Mr Jordinson has a BCom degree from the University of South Africa.

James Cooper-Jones  
BA/BCom  
Company Secretary / Chief Financial Officer

Mr Cooper-Jones has had experience working in various accounting roles for both public and private companies over the last ten years. Most recently Mr Cooper-Jones was the company accountant at Copper Resources Corporation Limited, a company listed on the London Stock Exchange – AIM market. Mr Cooper-Jones is fluent in spoken Japanese.

# Section 7

## OUM's financial information

### 1. Source of information

The information in this section 7 is only a summary of OUM's historical financial information. Full details of OUM's historical financial information, including applicable notes and the accounting policies underlying their preparation, are contained in OUM's Half Yearly Financial Report for the half year ended 31 December, 2008 which can be found on the OUM website and in OUM's past announcements to ASX.

### 2. Summary Income Statement

Set out below are summary historical income statements of OUM, derived from the reviewed half year accounts for the half years ended 31 December, 2008.

**OUM**  
**CONSOLIDATED INCOME STATEMENT FOR THE HALF-YEAR ENDED**  
**31 DECEMBER 2008**

	<b>Consolidated Group</b>	
	<b>31.12.2008</b>	<b>31.12.2007</b>
	<b>\$</b>	<b>\$</b>
Revenue		
Loans Forgiven	-	2,077,057
Interest Revenue	60,720	-
	<u>60,720</u>	<u>2,077,057</u>
Expense		
Audit fees	13,430	10,500
Repairs and maintenance	-	422
Write-off of exploration cost	-	1,250,218
Finance costs	1,163	-
Loss on business combination	5,779,022	7,840,095
Depreciation expense	17,101	-
Employee benefits expense	429,555	-
Capital raising expense	368,378	-
Administrative expense	374,709	911
Exploration and evaluation expenditure	7,538	-
	<u>6,990,896</u>	<u>9,102,146</u>
<b>Loss before Income Tax expense</b>	<u>6,930,176</u>	<u>7,025,089</u>
<b>Income Tax Expense</b>	-	-
	<u>6,930,176</u>	<u>7,025,089</u>
<b>Loss attributable to members of the company</b>	<u>6,930,176</u>	<u>7,025,089</u>
Basic and Diluted loss per share (cents per share)	(0.06)	(702,508,900)

### 3. Summary Balance Sheet

Set out below are summary historical balance sheets of OUM, derived from the reviewed half year accounts as at 31 December, 2008 and the audited financial statements for the year ended 30 June 2008.

<b>OUM</b>		
<b>CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2008</b>		
	<b>Consolidated Group</b>	
	<b>31.12.2008</b>	<b>30.06.2008</b>
	<b>\$</b>	<b>\$</b>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	2,050,141	2,237,200
Trade and other receivables	257,535	-
Other current assets	156,391	-
<b>TOTAL CURRENT ASSETS</b>	<u>2,464,067</u>	<u>2,237,200</u>
<b>NON-CURRENT ASSETS</b>		
Exploration and evaluation assets	1,241,561	-
Property, plant and equipment	150,051	-
<b>TOTAL NON-CURRENT ASSETS</b>	<u>1,391,612</u>	-
<b>TOTAL ASSETS</b>	<u><u>3,855,679</u></u>	<u><u>2,237,200</u></u>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	279,142	2,255,000
Other current liabilities	141,809	7,014,595
Provisions	18,128	-
<b>TOTAL CURRENT LIABILITIES</b>	<u>439,079</u>	<u>9,269,595</u>
<b>TOTAL LIABILITIES</b>	<u>439,079</u>	<u>9,269,595</u>
<b>NET ASSETS</b>	<u><u>3,416,600</u></u>	<u><u>(7,032,395)</u></u>
<b>EQUITY</b>		
Issued capital	17,254,313	1
Reserves	124,859	-
Accumulated Losses	(13,962,572)	(7,032,396)
<b>TOTAL EQUITY</b>	<u><u>3,416,600</u></u>	<u><u>(7,032,395)</u></u>

#### 4. Summary Cash Flow Statement

Set out below are summary historical statements of cash flows of OUM, derived from the reviewed half year accounts for the 6 months ended 31 December 2008.

### OUM CONSOLIDATED CASH FLOW STATEMENT FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

	Consolidated Group	
	31.12.2008	31.12.2007
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Interest received	60,720	-
Payments to suppliers and employees	(1,229,082)	-
Net cash (used in) provided by operating activities	<u>(1,168,362)</u>	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash flow from acquisition of subsidiary	184,883	-
Exploration and evaluation expenditure	(1,120,460)	-
Purchase of property plant and equipment	(61,500)	-
Equity investment expenditure	(6,319)	-
Net cash used in investing activities	<u>(1,003,396)</u>	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of IPO shares	2,224,700	-
Proceeds from the issue of shares	-	1
Proceeds from borrowings	200,000	-
Repayment of borrowings	(440,001)	-
Net cash used in/provided by financing activities	<u>1,984,699</u>	1
Net increase / (decrease) in cash held	(187,059)	1
Cash at beginning of period	2,237,200	6
Cash at end of period	<u>2,050,141</u>	<u>7</u>



# Section 8

## Information about OUM Securities

### 1. OUM issued securities

As at 12 March 2009, OUM has 154,293,502 fully paid ordinary shares on issue. 37,018,727 OUM shares are quoted on ASX and may be freely traded. 117,274,775 OUM shares are held in escrow until 2 September, 2010.

As at 12 March 2009, OUM has 11,146,700 Options quoted on ASX. These options have an exercise date of the 17 December 2010 and an exercise price of \$0.30. OUM also has 7,000,000 Director and Management options on issue which are not quoted on ASX. These options have an exercise date of 2 September 2010 and an exercise price of \$0.30.

### 2. Trading of OUM shares

The closing sale price of OUM shares on ASX on 12 March 2009 (being the last Trading Day before lodgement of the Bidder's Statement with ASIC) was 4.0 cents.

The highest recorded close price of OUM shares on ASX in the four months to the last Trading Day before 12 March 2009 was 6.5 cents on 16 January, 2009. The lowest recorded close price of OUM shares in the four months to the last Trading Day before 12 March 2009 was 4.5 cents on 16 December, 2008.

### 3. Dividends

OUM has not paid dividends. OUM reviews its corporate dividend policy regularly and will continue to do so.

### 4. OUM substantial holders

As at 12 March 2009, according to their most recent notifications, the substantial shareholders in OUM were:

Name	Number of OUM shares	Approx % holding
Territory Development Corporation Pty Ltd (Graham Chrisp Super Fund A/C)	73,002,250	47.31%
Mr. Graham Maxwell Chrisp	26,747,750	17.34%

## **5. Rights and liabilities attaching to the OUM shares offered**

A summary of the rights which relate to OUM Shares are set out below. This summary does not purport to be exhaustive or constitute a definitive statement of the rights and liabilities of the Company's Shareholders.

### **Voting**

At a general meeting of the Company on a show of hands, every member present in person, or by proxy, attorney or representative has one vote and upon a poll, every member present in person, or by proxy, attorney or representative has one vote for every Share held by them.

### **Dividends**

The Shares will rank equally with all other issued Shares in the capital of the Company and will participate in dividends out of profits earned by the Company from time to time. Subject to the rights of holders of Shares of any special preferential or qualified rights attaching thereto, the profits of the Company are divisible amongst the holders of Shares in proportion to the Shares held by them irrespective of the amount paid up or credited as paid up thereon. The Directors may from time to time pay to Shareholders such interim dividends as in their judgement the position of the Company justifies.

### **Winding Up**

Upon paying the application moneys, Shareholders will have no further liability to make payments to the Company in the event of the Company being wound up pursuant to the provisions of the *Corporations Act*.

### **Transfer of Securities**

Generally, the Shares and Options in the Company will be freely transferable, subject to satisfying the usual requirements of security transfers on the ASX. The Directors may decline to register any transfer of Shares but only where permitted to do so under its Constitution or the ASX Listing Rules.

### **Sale of Non-Marketable Holdings**

The Company may take steps in respect of non-marketable holdings of Shares in the Company to effect an orderly sale of those Shares in the event that holders do not take steps to retain their holdings.

The Company may at any future time take steps to eliminate non-marketable holdings in accordance with the Constitution and the ASX Listing Rules.

For more particular details of the rights attaching to Shares in the Company, investors should refer to the Constitution of the Company.

## 6. OUM top twenty shareholders

OUM's top twenty shareholders as at 12 March 2009 is produced in the table below.

<b>Holder Name</b>	<b>Number of shares</b>
Territory Development Corp Pty Ltd <Graham Chrisp SF A/C>	73,002,250
Mr. Graham Chrisp	26,747,751
Mr Keng Chuen Tham	5,000,000
Sakura Capital Limited	4,000,001
Bynoe Investments Ltd	4,000,000
Mr Sik-Ern Wong	3,800,000
National Nominees Limited	2,500,000
Citicorp Nominees Pty Ltd	2,500,000
Susan Rudenno	2,250,000
Rigi Investments Pty Ltd	2,000,000
Twynam Agricultural Group Pty Ltd	2,000,000
Chin Huan Ng	2,000,000
Prado Sixty Four Pty Ltd	2,000,000
Felix Bay Capital Trust	1,945,000
Mr Peter Eric Cox	1,500,000
Mr Brendan Michael Anthony Hopkins	1,100,000
D T Resource Limited	1,000,000
Mr Chaik Ming Tham	1,000,000
Keng Chuen Tham	1,000,000
Mr Shiyi Luo	982,167

## 7. Directors' interests in OUM shares

As at 13 March 2009, the Directors had the following Relevant Interests in OUM shares:

<b>Director</b>	<b>Number of OUM shares</b>
Leonard Anthony Dean	200,000
Christopher Terence Jordinson	2,180,000
Richard Anthony McGill	Nil
Chee Kok Teo	Nil
	Total 2,380,000

OUM shares may be held either directly or indirectly by an OUM Director. The total number of OUM shares in which OUM Directors have Relevant Interests is 2,380,000 which represent approximately 1.54% of the total issued OUM shares as at 13 March 2009.

# Section 9

## Profile of QOL

### 1. Sources of information/disclaimer

QOL is a “disclosing entity” for the purposes of the Corporations Act and as such is subject to ASX continuous reporting and disclosure obligations. The following information about QOL has been prepared by OUM using publicly available information that has not been independently verified. Accordingly OUM does not, subject to the Corporations Act, make any representation or warranty, express or implied, as to the accuracy or completeness of this information. The information regarding QOL in this document should not be regarded as comprehensive. Information in this section which has previously been released to ASX by QOL is dealt with in summary form only. You should refer to the Target’s Statement which will be sent to you by QOL for more information in relation to QOL and you may also wish to view QOL’s website [www.qol.com.au](http://www.qol.com.au).

A list of announcements made by QOL to ASX between the date of lodgement with ASIC of its annual financial report for the year ended 30 June 2008 and 12 March 2009 (being the day before the date of lodgement of this Bidder’s Statement with ASIC) appears in Annexure C.

### 2. Introduction

QOL was a tungsten and molybdenum producer prior to the Wolfram Camp mine operations being suspended and is an exploration company. QOL, through its wholly owned subsidiary Wolfram Camp Mining Pty Limited (85%) and in Joint Venture with Tropical Metals Pty Limited (15%) managed and operated the Wolfram Camp tungsten and molybdenum mine, before it was placed on care and maintenance in November 2008 in far north Queensland. In addition QOL has exploration tenements in Queensland.

### 3. Operations

The mineralisation at Wolfram Camp was discovered in 1894. Significant previous mining activity, both on the surface and underground, has been undertaken in the area intermittently for over a century.

It is estimated that at least 10,000 tonnes of wolframite, molybdenite, bismuth and mixed concentrates have been extracted from the field from mines with names such as the Murphy-Geaney, the Leisner Shaft, the German Bill, the Forget-Me-Not, the Harp of Erin and the Tully, to name a few. For many years mining activities supported the thriving local township of Wolfram Camp.

QOL’s stated objective was to establish an economically viable open-cut operation as quickly as possible in order to take advantage of the strong commodity prices then being obtained for both tungsten and molybdenum on the international markets.

A decision to proceed with the project, based on treating 150,000 tonnes of ore per annum, was announced in December 2006.

Prior to the mine being placed on care and maintenance the ore and waste was mined by conventional open cut means from 1.5 metre high flitches and hauled either to a run of mine stockpile or waste dump by 40-tonne dump trucks. The ore was treated in a custom designed treatment plant delivered for the joint venture by Lycopodium Engineering Pty Limited on an engineer/procure/construction management (EPCM) basis.

The treatment process involved the recovery of the various minerals by a combination of flotation and gravity techniques. On-site construction work commenced in November 2007 when the Mining Leases for the project were granted. The completed treatment plant was handed over by the contractor in July 2008 less than 8 months from the commencement of the work.

The mine employed 30 full-time employees working 12-hour shifts. The majority of employees were sourced from the local region.

On average, approximately 900 tonnes of wolframite concentrate at 65 per cent  $WO_3$  and 280 tonnes of molybdenite concentrate at 50 per cent molybdenum were planned to be produced from the mine each year, however this rate was never achieved. Only 1 trial shipment of 5.5 tonnes of wolframite (tungsten) was exported to China from the Port of Brisbane.

Queensland Ores has an Off take Agreement with Citic Australia Commodity Trading Australia Pty Ltd. The initial agreement is for one year, with Citic retaining the option to extend for an additional three years. The agreement also allows Queensland Ores the ability to test-market the supply of 10 tonne concentrate samples to other international trading houses.

The operations at the Wolfram Camp Project were suspended on the 18 November 2008 due to mining and metallurgical issues that at that time could not be resolved due to QOL needing to conserve its cash reserves.

#### **4. Projects and exploration**

##### **Mount Cannindah Project**

The main known Mount Cannindah Project deposits are covered by nine already approved Mining Leases covering 5.7sq km. These leases are valid until 2023, providing Queensland Ores with a significant competitive advantage. In March 2008 the Company completed the acquisition of two Exploration Permits for Minerals (EPMs) which surround the MLs and cover an additional 100km<sup>2</sup>.

The Mount Cannindah region has experienced previous mining activity with the main deposit being worked from 1895 to 1913 and again between 1946 and 1973. Reportedly some 1,000 tonnes of copper and 30,000 ounces of gold were produced from the field during these times.

The project's presently stated resources, comprising some 100,000 tonnes of copper and 85,000 ounces of gold, are found in the main Mount Cannindah Mine deposit and in several satellite deposits of which United Allies, Lifesaver, Monument and Cannindah East are the most notable. Queensland Ores is confident further exploration will define additional resources, particularly in the satellite areas.

Metallurgical test work completed on ore samples from the Mount Cannindah Mine drilling clearly indicate that a relatively coarse grind size will be appropriate and that this can be achieved by low-energy consumption autogenous grinding.

### **Bamford Hill Project (QOL earning in up to 85%)**

Exploration Permit Minerals (EPM) 14028 (Bamford Hill) covers 90 sub-blocks or approximately 320 km<sup>2</sup> and is located between the towns of Almaden and Petford, to the south-west of Wolfram Camp. The ground covered by the EPM has a diverse mining history which included significant tungsten-molybdenum, tin and lead-silver mining activities.

The EPM lies along the Burke Development Road which provides excellent access to the bulk of the targets. Queensland Ores is earning an 85 per cent interest in the EPM (which is currently held by Tropical Metals Pty Ltd) by meeting certain expenditure commitments.

Queensland Ores plans to increase its exploration effort in this highly prospective area and Cultural Heritage clearance has been sought to allow low impact exploration to commence in the EPM.

An initial stream sediment and rock chip survey has been completed in the north eastern portion of the EPM which includes the former Bamford Hill tungsten-molybdenum mines and the Eight Mile tungsten mines. The western side of the target area adjoins the former Dover Castle tin mines which are outside the EPM.

## **5. Reserves and Resources**

### **Wolfram Camp**

The Wolfram Camp resources (prior to the commencement of mining) are set out below:

#### Measured Resources

598,200 tonnes @ 0.42% WO<sub>3</sub>, 0.17% MoS<sub>2</sub>, 0.03% Bi

#### Indicated Resources

111,500 tonnes @ 0.41% WO<sub>3</sub>, 0.16% MoS<sub>2</sub>, 0.03% Bi

#### Inferred Resources

238,300 tonnes @ 0.4% WO<sub>3</sub> and 0.2% MoS<sub>2</sub>.

## **Mt Cannindah**

Based on its own drilling at Mount Cannindah Mine, QOL has reported JORC-compliant resources estimated by independent consultants Golder Associates as:

Measured Resources 5.57mt at 0.95% Cu, 0.41 g/t Au and 16 g/t Ag  
Inferred Resources 1.86mt at 1.0%Cu, 0.3 g/t Au and 14 g/t Ag

### **Notes:**

The above tables and notes were extracted from QOL's 30 October 2008 ASX announcement and the associated Competent Person Statements are as follows:

#### **Attribution Statements**

*The information in the attached presentation that relates to Exploration Results, Mineral Resources and Ore Reserves was based on information compiled by Mr. Andrew Border who is a member of the Australasian Institute of Mining and Metallurgy and is bound by and follows the Institute's codes and recommended practices. Mr Border is a full-time employee of Queensland Ores Limited. He has sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration and to the activities being undertaken to qualify as a Competent Person as defined in the 2004 Edition of the "Australian Code for Reporting of Exploration results, Minerals resources and Ore Reserves". Mr. Border consented to the inclusion in the presentation of the matters based on his information in the form and context in which it appears.*

## **6. QOL's Capital Structure**

As at 13 March 2009, QOL had the following classes of securities and number of securities in those classes:

Class of securities	Number of securities in the class
Ordinary shares	220,805,122
Unlisted options	1,300,000

## **7. Source of financial information**

The information in this section 9 is only a summary of QOL's historical financial information. Full details of QOL's historical financial information, including applicable notes and the accounting policies underlying their preparation, are contained in QOL's Half Yearly Financial Report for the half year ended 31 December, 2008 which can be found on the QOL website and in QOL's past announcements to ASX.

## 8. Summary Income Statement

### QOL CONSOLIDATED INCOME STATEMENT FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

	Consolidated Group	
	31.12.2008	31.12.2007
Sales Revenue	93,263	-
Other Revenue	122,396	588,064
Exploration & evaluation expenditure written off	(6,395)	-
Production costs	(3,238,181)	-
Depreciation and amortisation	(51,489)	(27,103)
Employee benefits expense	(1,586,774)	(428,169)
Impairment of exploration & evaluation expenditure	(5,496,271)	-
Impairment of property, plant and equipment	(24,651,677)	-
Marketing expenses	(51,323)	(25,807)
Administration expenses	(343,556)	(491,576)
<b>Loss before income tax expense</b>	<u>(35,210,007)</u>	<u>(384,591)</u>
Income tax expense	-	-
<b>Loss attributable to members of the company</b>	<u>(35,210,007)</u>	<u>(384,591)</u>
Basic earnings and diluted earnings per share (cents per share)	(16.07)	(0.28)



## 9. Summary Balance Sheet

### QOL CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2008

	Consolidated Group	
	31.12.2008	30.06.2008
<b>Current Assets</b>		
Cash and cash equivalents	835,041	7,981,347
Trade and other receivables	-	485,371
Inventories	-	227,807
Other current assets	22,776	24,730
<b>Total Current Assets</b>	857,817	8,719,255
<b>Non-Current Assets</b>		
Exploration and evaluation assets	3,757,144	9,071,801
Property, plant and equipment	2,725,370	27,367,875
Other non-current assets	42,679	65,500
<b>Total Non-Current Assets</b>	6,525,193	36,505,176
<b>Total Assets</b>	7,383,010	45,224,431
<b>Current Liabilities</b>		
Trade and other payables	333,558	3,847,676
Short-term provisions	68,622	100,606
Short-term financial liabilities	17,250	-
<b>Total Current Liabilities</b>	419,430	3,948,282
<b>Non-Current Liabilities</b>		
Long-term financial liabilities	8,625	-
<b>Total Non-Current Liabilities</b>	8,625	-
<b>Total Liabilities</b>	428,055	3,948,282
<b>Net Assets</b>	6,954,955	41,276,149
<b>Equity</b>		
Contributed equity	45,787,862	44,910,862
Reserves	133,449	121,636
Accumulated Losses	(38,966,356)	(3,756,349)
<b>Total Equity</b>	6,954,955	41,276,149

## 10. Summary Cash flow Statement

### QOL CONSOLIDATED CASH FLOW STATEMENT FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

	Consolidated Group	
	31.12.2008	31.12.2007
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	93,263	-
Interest received	122,397	588,064
Payments to suppliers and employees	(5,657,083)	(695,073)
Net cash provided by (used in) operating activities	<b><u>(5,441,423)</u></b>	<b><u>(107,009)</u></b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Exploration and evaluation expenditure	(191,652)	(583,682)
Purchase of property, plant and equipment	(1,969,231)	(6,616,867)
Net cash provided by (used in) investing activities	<b><u>(2,160,883)</u></b>	<b><u>(7,200,549)</u></b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares	456,000	-
Net cash provided by (used in) financing activities	<b><u>456,000</u></b>	<b><u>-</u></b>
Net increase (decrease) in cash and cash equivalents during the period	(7,146,306)	(7,307,558)
Cash and cash equivalents at beginning of period	7,981,347	21,608,528
cash and cash equivalents at end of period	<b><u>835,041</u></b>	<b><u>14,300,970</u></b>

## **11. QOL Board**

### **The Directors of QOL are:**

Roger Marshall OBE – Non-Executive Chairman

Kenneth Dredge – Non-Executive Director

Barry Kelly – Non-Executive Director

John Greenwood – Managing Director, Executive Director

In the 2008 Annual Report QOL disclosed that its directors held Relevant Interests in a total of 1,902,428 QOL shares, which represented 0.86% of the total issued QOL shares.

## **12. Material Items post 31 December 2008**

QOL has not made any announcements regarding material disclosures or significant events since 31 December 2008.

# Section 10

## OUM's intentions in relation to QOL

### 1. Overview of intentions

This section sets out the intentions of OUM on the basis of the facts and information concerning QOL which are publicly available to OUM at the time of preparation of this document, and the existing circumstances affecting the business of QOL so far as they are known to OUM, in relation to the following:

- (a) the continuation of, and changes to, QOL's business and assets;
- (b) the compulsory acquisition of QOL's shares and delisting of QOL; and
- (c) the future employment of present employees of QOL.

Final decisions on the matters discussed below will only be reached by OUM after having sufficient exposure to QOL's business following the acquisition of QOL. Decisions may then be affected by material information learnt about QOL post acquisition and taking into account the circumstances of OUM and QOL and global markets at the relevant time. Accordingly, all statements of intention in this section 10 are statements of current intention only and may change as new information becomes available and or circumstances change.

### 2. Background to intentions

OUM initiated discussions with QOL management when the announcement was made on the 18 November 2008 that operations at the Wolfram Camp Project had been suspended. These discussions resulted in OUM providing QOL with short-term finance of \$600,000 and during that period OUM carried out additional investigation, resulting in this Offer. OUM are seeking to become a producer in the near to medium term and the Board and management of OUM believed that in acquiring the equity in QOL this vision could be fast tracked. OUM have carried out due diligence on QOL and believe there is a possibility of re-commissioning the Wolfram Camp Project after assessing and finding solutions for various operational issues that resulted in the suspension of operations.

### 3. Intentions following OUM acquiring 90% or more of QOL shares

If OUM acquires a relevant interest in 90% or more of QOL shares, then subject to satisfaction or waiver of the other conditions of the Offer, OUM has the following intentions:

#### (a) Corporate matters

- (i) Proceed with the compulsory acquisition of the outstanding QOL shares in accordance with the provisions of the Corporations Act.
- (ii) Make arrangements for QOL to be removed from the official list of ASX.
- (iii) Replace members of the board of QOL with appointments by OUM.

(iv) Replacement board members have not yet been identified by OUM.

**(b) QOL's Wolfram Camp operations**

QOL's operations at Wolfram Camp are subject to risks that will be applicable to OUM post a successful takeover. These are set out in detail in section 12.

**(c) QOL's other exploration projects**

It is OUM's intention to thoroughly review all the exploration data in respect of the various QOL tenements to evaluate each project.

**(d) QOL management**

OUM does not intend to make any significant changes to QOL's management in the near term.

**4. Intentions following OUM acquiring 50.1% to 90% of QOL shares**

The Offer is subject to a number of conditions, including a condition that OUM and its Associates acquire a relevant interest in 90% or more of the QOL shares on issue. OUM does not currently intend to waive this condition. However, if it does not acquire 90% or more of the QOL shares on issue, but waives that condition and obtains control of the QOL Board, then OUM has the following intentions:

**(a) Corporate matters**

OUM intends to maintain QOL's listing on ASX while it meets ASX requirements for maintaining a listing and it is cost effective to do so. If OUM becomes entitled at some later time to exercise general compulsory acquisition rights under the Corporations Act, it would exercise those rights.

**(b) Assumption of control of board and management**

Subject to the Corporations Act and the constitution of QOL, OUM will seek to replace some of the members of the board of QOL to reflect OUM's proportionate ownership interest in QOL. OUM also intends to seek the appointment of a number of independent non-executive directors to the board of QOL. Replacement board members have not yet been identified by OUM. OUM will seek, through its nominees on the board of QOL, to implement the intentions detailed in section 10.3 to the extent that they are consistent with QOL being a controlled entity of OUM and are considered to be in the best interests of QOL shareholders.

**5. Other intentions**

Subject to the above, including the outcome of the post merger strategic review to be undertaken by OUM, it is the present intention of OUM on the basis of the information concerning QOL which is known to it at 13 March 2009 and the existing circumstances affecting the business of QOL, that:

- (a) the business of QOL will be otherwise continued in substantially the same manner as it is presently being conducted;
- (b) no other major changes will be made to the business of QOL;
- (c) there will not be any other redeployment of the fixed assets of QOL; and
- (d) the present employees of QOL will continue to be employed by QOL.

# Section 11

## Profile of the Merged Group

### 1. Overview of the Merged Group

The Merged Group will consist of the OUM and QOL and their subsidiaries. The Wolfram Camp Project, which is currently on care and maintenance is the most advanced project of the Merged Group. The advanced exploration tenements of the Merged Group include the Mt Wells tin and copper project in the Northern Territory and Mt Cannindah copper and gold project in Queensland. In addition there are a number of Greenfield exploration tenements in both the Northern Territory and Queensland.

The Merged Group will provide shareholders with a diversified exploration company with potential for significant growth resulting in economic benefits from the synergies which would not be available to either OUM or QOL individually.

The immediate synergies available to the Merged Group include the re-assessment of the Wolfram Camp Project. The possible re-commissioning of the Wolfram Camp Project will be subject to results of test work being carried out and planned for in the few months following a successful take over. The expected synergies of the combination are described more fully in section 11.10.

### 2. Pro forma historical information for the Merged Group

This section 11 contains reviewed pro forma financial information for the Merged Group, reflecting the aggregated businesses of OUM and QOL. The pro forma financial information is presented in this section 11 to provide QOL shareholders with an indication of the profile of the Merged Group as at the latest disclosed reviewed financial accounts for both OUM and QOL, being 31 December 2008. The information in this section 11 is presented on a reviewed pro forma basis only. As a result it is likely that this information will differ from the actual financial information for the Merged Group. The pro forma historical balance sheet of the Merged Group as at 31 December 2008 and the pro forma adjustments are disclosed in this section 11.

### 3. Basis of preparation of the Merged Group pro forma financial information

The Merged Group pro forma financial information has been prepared on the basis that OUM acquires QOL and accordingly:

- (a) the accounting policies of the Merged Group used to prepare the Merged Group pro forma financial information are based on AASB standards; and
- (b) the Merged Group pro forma financial information has been presented based on the reviewed historical financial statements of OUM and QOL as at 31 December 2008; and

- (c) the Merged Group pro forma financial information is presented in abbreviated form and does not contain all the disclosures that are usually provided in an half year financial report in accordance with the Corporations Act. In particular it does not include notes to and forming part of the financial statements of OUM or QOL.

No adjustments have been made in the Merged Group pro forma financial information for any expected synergies, integration costs, changes in interest **income or expense** or other costs that may impact the consolidated income statement following the acquisition by OUM of all QOL shares. No adjustments have been made in the Merged Group pro forma financial information for any one-off or non-recurring costs or discontinued operations.

#### **4. Pro-forma reviewed consolidated balance sheet as at 31 December 2008**

The Merged Group's reviewed pro forma balance sheet is compiled from the aggregation of the:

- (a) OUM historical consolidated balance sheet as at 31 December 2008, a summary of which is set out in section 7.3 of this Bidder's Statement;
- (b) QOL historical consolidated balance sheet as at 31 December 2008, a summary of which is set out in section 9.9 of this Bidder's Statement;
- (c) pro forma adjustments to reflect the acquisition of QOL by OUM as if OUM acquired all QOL shares on 31 December 2008.

Set out on the following page is the Merged Group's reviewed pro forma historical balance sheet as at 31 December 2008.



	Note	OUM 31.12.2008	QOL 31.12.2008	Adjustments	Merged Entity
<b>Current Assets</b>					
Cash and cash equivalents		2,050,141	835,041	(250,000)	2,635,182
Trade and other receivables		257,535	-		257,535
Inventories		-	-		-
Other current assets		156,391	22,776		179,167
<b>Total Current Assets</b>		<u>2,464,067</u>	<u>857,817</u>		<u>3,071,884</u>
<b>Non-Current Assets</b>					
Exploration and evaluation assets		1,241,561	3,757,144		4,998,705
Property, plant and equipment		150,051	2,725,370		2,875,421
Other non-current assets		-	42,679		42,679
<b>Total Non-Current Assets</b>		<u>1,391,612</u>	<u>6,525,193</u>		<u>7,916,805</u>
<b>Total Assets</b>		<u>3,855,679</u>	<u>7,383,010</u>		<u>10,988,689</u>
<b>Current Liabilities</b>					
Trade and other payables		279,142	333,558		612,700
Short-term provisions		-	68,622		68,622
Short-term financial liabilities		-	17,250		17,250
Other current liabilities		141,809	-		141,809
Provisions		18,128	-		18,128
<b>Total Current Liabilities</b>		<u>439,079</u>	<u>419,430</u>		<u>858,509</u>
<b>Non-Current Liabilities</b>					
Long-term financial liabilities		-	8,625		8,625
<b>Total Non-Current Liabilities</b>		<u>-</u>	<u>8,625</u>		<u>8,625</u>
<b>Total Liabilities</b>		<u>439,079</u>	<u>428,055</u>		<u>867,134</u>
<b>Net Assets</b>		<u>3,416,600</u>	<u>6,954,955</u>		<u>10,121,555</u>
<b>Equity</b>					
Contributed equity	2	17,254,313	45,787,862	(43,943,978)	19,098,197
Reserves		124,859	133,449	(133,449)	124,859
Accumulated Losses	1	(13,962,572)	(38,966,356)	48,827,427	(9,101,501)
<b>Total Equity</b>		<u>3,416,600</u>	<u>6,954,955</u>		<u>10,121,555</u>

*\* Both the OUM and QOL balance sheets shown above have been extracted from the OUM and QOL half year financial reports as disclosed to the ASX by the relevant company.*

*Both balance sheets should be read in conjunction with the notes to those half year financial reports.*

## 5. Pro forma adjustments

The following pro forma adjustments (listed as notes in the reviewed pro forma historical balance sheet in section 11.4 above) have been made in the compilation of Merged Group pro forma financial information on the assumed acquisition of all QOL shares by OUM:

- (1) payment of advisory fees on completion of the Offer estimated at \$250,000
- (2) OUM's purchase of all QOL shares on the issue of 4.79 OUM shares to QOL shareholders for each QOL share held. The number of OUM shares issued for QOL will be 46,097,103 valued at \$1,843,884. This assumes QOL options and performance rights will not be exercised during the Offer Period.

## 6. Main assumptions

It has been assumed that:

- (a) 154,293,502 OUM shares are on issue immediately prior to OUM acquiring all QOL shares;
- (b) 220,805,122 QOL shares are on issue immediately prior to OUM acquiring all QOL shares;
- (c) OUM's share price is 4.0 cents (being the close price of OUM shares on ASX on 12 March 2009] on the date OUM acquires all QOL shares;
- (d) for the purposes of calculating goodwill in the pro forma Merged Group balance sheet as at 31 December 2008, the book value of QOL's assets and liabilities is assumed to be equal to their fair value as at 31 December 2008. The fair value assessment post acquisition may result in the identification of differences from book value which could materially impact the gain recognised on acquisition in the Merged Group's pro forma balance sheet; and

## 7. Material items post 31 December 2008

Since 31 December 2008 the following material transactions or events should be considered in addition to the pro forma Merged Group's balance sheet (and which are not taken account of in the pro forma Merged Group's balance sheet). These are identified as follows:

### (a) OUM

#### Queensland Ores Limited Short Term Funding

On the 15<sup>th</sup> December, 2008 the Company entered into a Binding Term Sheet with Queensland Ores Limited which outlined the general terms on which the Company would loan, subject to some conditions precedent \$600,000 to Queensland Ores Limited. Subsequent to the period of the half year financial report the Company entered into a Deed of Loan, a Fixed Charge Over Assets and a Priority and Subordination Deed with Queensland Ores Limited, its subsidiaries and other relevant parties and the loan to Queensland Ores Limited of \$600,000 was provided.

## **(b) QOL**

**As taken from the QOL half yearly financial statements 31 December, 2008**

“Takeover Offer

On 18 February 2009, Outback Metals Limited announced its intentions to make a takeover bid for all the issued ordinary shares in the Company. The key terms of the offer are as follows:

- Scrip-only offer whereby QOL shareholders will receive 1 fully paid ordinary share in Outback Metals for every 4.79 issued and fully paid QOL shares;
- if the offer is successfully completed, QOL shareholders will hold 23% of the combined entity.

Outback Metals is to use the best endeavours to secure additional funding to ensure the ongoing commercial activities of the combined entity.

The Directors have indicated their intention to support the above offer in the absence of a superior proposal being received and providing an independent expert concludes the offer is fair and reasonable. At the date of signing the accounts, the takeover process was ongoing and the outcome is uncertain.”

### **8. Potential funding considerations**

Until a new mining/integration plan is developed for the Merged Group, particularly in relation to Wolfram Camp operations, it is not possible to usefully estimate what additional funding, if any, may be required for integration purposes. This will be driven by circumstances at the time the Merged Group is created, in particular the then prevailing and forecast metal prices, the financial and other resources then available within QOL and OUM and decisions to be made on the amount and timing of additional development required to access new sources of ore made available to the Merged Group. If additional funding is required, OUM believes that potential investors is likely consider investment in the Merged Group to be a more attractive proposition than investment in OUM or QOL on a standalone basis.

In particular OUM believes that potential investors will be attracted to the Merged Group’s production volume, multi mine/multi metal base and the opportunities the Merged Group provides to quickly upscale production at Wolfram Camp and Mt Wells when metal prices improve. The Merged Group will also be in a position to add additional production from future projects within the current pipeline, subject to financing. Additional funds could also be raised through the sale of non-core assets.

OUM will not have unrestricted access to cash held by QOL unless it has acquired all QOL shares on issue.

### **9. Outlook for the Merged Group**

If OUM acquires all QOL shares OUM will remain the entity listed on the ASX and will be the ultimate holding company for all companies within the new Merged Group. The acquisition by OUM of all QOL shares will result in a merged group with substantial exploration tenements.

Since December 2008 metal prices have continued to fall with the deterioration in the outlook for growth throughout the world. With commodity prices fundamentally lower, the weakness in prices has been exacerbated by the current global economic crisis. In the 12 months to 13 March 2009 tin, copper, uranium and other base metals prices have fallen significantly. The consequence of these price falls is cost reduction measures being taken by both OUM and QOL in order to stabilise cash flow until an improvement in the global economic outlook, and commodity prices, occurs.

This Bidder's Statement does not include forecasts or projections for production or earnings in relation to OUM or the Merged Group. OUM believes that the inclusion of such forecasts would be unduly speculative and potentially misleading to QOL shareholders, particularly in the current uncertain economic environment and due to the effect that metal prices may have on future production and earnings performance.

## **10. Synergies**

OUM expects that the complementary nature of the exploration tenements of OUM and QOL will enable many operating synergies to be realised. OUM envisages synergies arising through:

- (a) flexibility and reduced risk - increased ore resources provide greater flexibility, enhanced scheduling and reduced risk in re-assessing the re-commissioning of the Wolfram Camp Project;
- (b) significant exploration lease holding

OUM is not able to estimate the dollar amount of the synergy benefits which might be realised through the re-commissioning of the operations at the Wolfram Camp Project. OUM would only be able to make such an estimate after completion of the Merger when it is able to develop a mining/integration plan for the Wolfram Camp Project operations as referred to in section 10.3.

## 11. Merged Group top twenty shareholders

Holder Name	Number of shares
Territory Development Corp Pty Ltd <Graham Chrisp SF A/C>	73,002,250
Mr. Graham Chrisp	26,747,751
Mr Keng Chuen Tham	5,000,000
Sakura Capital Limited	4,000,001
Bynoe Investments Ltd	4,000,000
Mr Sik-Ern Wong	3,800,000
National Nominees Limited	2,500,000
Citicorp Nominees Pty Ltd	2,500,000
Talbot Group Holdings Pty Ltd <Talbot Equities Account>	2,411,273
Susan Rudenno	2,250,000
Rigi Investments Pty Ltd	2,000,000
Twynam Agricultural Group Pty Ltd	2,000,000
Chin Huan Ng	2,000,000
Prado Sixty Four Pty Ltd	2,000,000
Felix Bay Capital Trust	1,945,000
Twynam Agricultural Group Pty Ltd	1,707,535
Donwillow Pty Ltd	1,577,909
Mr Peter Eric Cox	1,500,000
Bell Potter Nominees <BB Nominees A/C>	1,228,372
Mr Brendan Michael Anthony Hopkins	1,100,000

## 12. Pro forma capital structure

Based on the number of QOL shares on issue on the day before 12 March 2009 (being 220,805,122) the maximum number of shares which would be required to be issued if every QOL shareholder accepted the Offer is 46,097,103 OUM shares.

OUM options will not be affected by the issue of shares under this offer and will remain as disclosed in section 8.1.

## 13. Dividends

OUM has paid no dividends since incorporation. The payment of dividends by OUM will be at the discretion of the OUM Board. The level of dividends declared by the OUM Board will be subject to a number of factors including profits, cash flow and capital requirements. OUM reviews its corporate dividend policy regularly and will continue to do so going forward.

# Section 12

## Investment Risk

### 1. Introduction

The key risks that may have a material adverse impact upon the implementation of the Offer, the future performance of the Merged Group and the value of OUM shares are described in this document and include those risks set out in this section 12. The risks identified in this section 12 are not exhaustive. OUM gives no assurances or guarantees of future performance or profitability, or payment of dividends by, the Merged Group. Additionally, OUM gives no any assurances or guarantees that the risks set out in this document will not change. There may be other material risks which are not disclosed in this document because they were not known to OUM or were not considered to be material at 13 March 2009. Many of the risks below arising from the Offer are also inherent within each of QOL and OUM as separate entities.

The value of the Offer to QOL shareholders will depend upon the future performance of the Merged Group and the value of those OUM shares. As a result, QOL shareholders should carefully consider both the risks affecting the Offer and those risks affecting the future performance of the Merged Group and the value of the OUM shares. QOL shareholders should be aware that an investment in the Merged Group has risks which are associated with investing in listed securities. The future dividends, the value of the Merged Group's assets and the market value or price of the OUM shares quoted on ASX may be influenced by these and other risk factors.

Many of these factors are common to those affecting the current performance of OUM and QOL. Some of the risks may be mitigated by the use of safeguards and appropriate systems and controls. However, many risks that may affect the Merged Group are outside the control of OUM, QOL and the Merged Group. This section 12 does not take into account the investment objectives, financial circumstances or particular needs of individual QOL shareholders. It is important that QOL shareholders carefully read this Bidder's Statement in its entirety (particularly the risks set out in this section 12), consider their personal circumstances (including financial and taxation issues) and seek independent professional advice before deciding whether to accept the Offer.

### 2. Specific risk factors that affect the Merged Group

Set out below are some of the key risks that have been identified as potentially affecting the performance of the Merged Group, the ability of the Merged Group to pay dividends and the value of the OUM shares.

The past performance of OUM and QOL is not necessarily representative of the future performance of the Merged Group or the value of OUM shares.

**(a) Metal prices** The earnings of OUM and QOL are significantly affected by local and worldwide metal prices. The earnings of the Merged Group will be similarly affected. Low metal prices will have a materially adverse affect on

the Merged Group. It is not possible to accurately predict future movements in metal prices particularly in the current uncertain economic environment.

**(b) Production and operation risks**

Mining activities carry an inherent degree of risk. Various production and operational factors could affect the success of the Merged Group. These include unanticipated mining or geological conditions, climatic conditions, environmental issues, exploration results, equipment failures, transport interruptions, processing inputs, industrial disputes, cost overruns and other general operating risks. QOL shareholders will be exposed to production and operational risks associated with OUM's business if OUM acquires all QOL shares.

Certain approvals (whether regulatory, environmental or otherwise) may be needed in connection with the operations of the Merged Group and there is a risk that these approvals will not be given, or will be delayed. This may affect the speed with which OUM can move ore from OUM's Mt Wells to QOL's operations and process that ore at QOL's concentrator.

**(c) Development Consents**

There is a risk that additional development consents will be required. There is also a risk that the Merged Group will not be able to satisfy the requirements to obtain these development consents or will be able to obtain such consents only on onerous terms and conditions. The Merged Group may also incur material expenses and costs in seeking and obtaining such consents.

**(d) Developments**

Development projects may incur further costs than currently anticipated or may be delayed due to the need to obtain regulatory approvals or licenses or due to problems with contractors or suppliers, financing issues or accidents during construction or commissioning of mines.

**(e) Timing delays**

There is a risk that the Merged Group will not achieve its financial and strategic goals due to delays or difficulties occurring during the integration of the two businesses.

**(f) Synergies**

There is a risk that the synergies expected to arise from the combination of OUM and QOL fail to materialise or take longer than expected to materialise. This may affect the future earnings performance of the Merged Group.

**(g) Controls and systems integration**

The costs involved in achieving the synergies available following the acquisition by OUM of all QOL shares will depend, to an extent, on the integration of the corporate cultures of OUM and QOL and the common functions of their businesses, and the establishment of efficient management and operational structures. Specific areas of integration risk that may impact on estimated efficiencies and synergies include integrating accounting and financial systems, integration information technology and other systems, human resources and other support functions, and integrating management systems, controls and processes. There is a risk that integration of these systems may

take longer or cost more than expected.

**(h) Increased Financing costs**

OUM may incur greater than anticipated implementation costs during the integration of the businesses of OUM and QOL. The net funds of the Merged Group may not be sufficient for expenditure that may be required to integrate the operations of OUM and QOL or to expand its operations or projects or for other capital expenditure, further exploration or feasibility studies or otherwise in the Merged Group's operations. The Merged Group may need to raise additional debt or equity funds in the future. There is no assurance that the Merged Group will be able to obtain additional debt or equity funding when required in the future, or that the terms associated with such funding will be acceptable to the Merged Group, particularly having regard to the current uncertain economic environment and the effect that metal prices may have on future production and earnings performance. This may have an adverse effect on the Merged Group's financial results.

**(i) Cash position**

There is no guarantee that the Merged Group will be able to maintain a sufficient cash balance following the acquisition by OUM of all QOL shares.

**(j) Currency risk**

A significant portion of the revenue and expenditure of the Merged Group may be denominated in United States currency. The Merged Group will be exposed to and affected by movements in currency exchange rates and this may increase costs and reduce

revenue. In the current uncertain economic environment such movements have been occurring, and may continue to occur, frequently.

**(k) Hedging risk**

Neither OUM and QOL currently use hedging contracts to reduce the impact of future fluctuations on exposures such as the price of metals and currency exchange rates. However, hedging contracts entered into in the future may negatively impact the profitability of the Merged Group if unanticipated changes in metal prices or exchange rates occur. In the current uncertain economic environment such changes have been occurring, and may continue to occur, frequently.

**(l) Accounting**

The Merged Group will be required to perform a fair value assessment of all of QOL's assets and liabilities following the acquisition by OUM of all QOL shares. This assessment may result in increased depreciation and amortisation charges. These charges may be substantially greater than those that would exist in OUM and QOL as separate businesses. This may reduce future earnings of the Merged Group.

**(m) Re-rating**

Post Merger OUM may not achieve an improved re-rating of its share price or an improved credit profile. Due to the occurrence of adverse changes in the business or unforeseen circumstances, OUM shares may decline in value.

**(n) Regulatory and legislative risks**

Any changes in the laws and regulations under which the Merged Group operates may adversely impact



on the Merged Group's activities, planned projects and financial results. These laws and regulations include mining and exploration-related laws, laws requiring permits and licences, environmental regulations and health and safety laws and regulations.

**(o) Environment**

Mining and exploration activities are strictly regulated by environmental legislation and government authorities. There is a risk that environmental regulation may prevent or impede the Merged Group's activities. It is possible that environmental approvals for the Merged Group's projects are not granted or are delayed. If this occurred it may materially affect the Merged Group's earnings.

**(p) Personnel**

OUM relies on certain key employees. There is a risk that OUM may not be able to retain key personnel from within QOL Group post Merger. This may have an adverse impact on both the integration of the acquisition and the longer term performance of the Merged Group.

**(q) Litigation**

The Merged Group may be subject to litigation and other claims based on the conduct of OUM and QOL that occurred prior to the acquisition by OUM of all QOL shares and the conduct of OUM which follows the acquisition. OUM is not aware of any current material litigation.

**(r) Customer and off-take risk** OUM and QOL generate revenue from the sale of concentrates to customers under off-take agreement. There is a risk that the Merged Group will not receive payments for the sale of its concentrates if a customer becomes

insolvent or fails to provide payment in accordance with its agreement with OUM, QOL or the Merged Group (as the case may be). There is a risk that smelter customers will be unable to receive wolfram and molybdenum concentrates, whether due to site accidents, operational circumstances or other reasons that might be beyond the control of the Merged Group. There is also a risk that the Merged Group will be unable or restricted in its ability to ship to alternative customers due to limited port access, ocean shipping constraints or for other reasons.

**(s) Resource and Reserve estimates**

QOL have made estimates of their Resources and Reserves based on relevant reporting codes, where required, and judgments based on knowledge, skills and industry experience. However, there is no guarantee that estimates will prove to be accurate. Actual mining results may materially differ from estimates due to further findings and results not previously known or fluctuations in operating costs, exchange rates and metal prices.

**(t) Insurance**

The Merged Group will have various insurances covering its business. However, certain risks are not covered by insurance due to limitations or exclusions in insurance policies or because the Merged Group will have decided not to insure against certain risks because of high premiums or for other reasons. Mining accidents, cave-ins, business interruption, compensation claims, environmental effects, fires, floods earthquakes and various other events may not be adequately covered by insurance. Such events, to the extent not covered by

insurance, could significantly increase the costs of the Merged Group.

**(u) Health and safety**

The businesses of OUM and QOL are subject to strict health safety and safety laws and regulations. The Merged Group may become liable for past and current conduct of OUM and QOL which violates such laws and regulations. Penalties for breaching health and safety laws can be significant and include criminal penalties. Victims of workplace accidents may also commence civil proceedings against the Merged Group. These events might not be insured by the Merged Group or may be uninsurable. In addition, any changes in health and safety laws and regulations may increase compliance costs for the Merged Group. Such an event would negatively impact the financial results of the Merged Group.

**(v) Native title**

OUM's and QOL's mining and exploration tenements and other entitlements to property and minerals may be affected by native title claims, unregistered agreements, transfers or unknown defects in title. Native title claims and Aboriginal heritage issues may have a material adverse impact on the Merged Group's activities and may hinder or prevent its mining and exploration activities.

**(w) Past transactions**

Previous transactions undertaken by either OUM or QOL which involved the acquisition or disposal of assets may continue to bear risks associated with the possibility of warranty or other claims in connection with such transactions to which it was a party.

**(x) Competition**

The Merged Group will be subject to competition from other miners. Competitors include current miners and future entrants into the market. Other companies may have competitive advantages such as new technology and new production processes. The Merged Group may be unable to successfully compete and may suffer material adverse consequences such as loss of market share and customers and reduction in revenue.

**(y) Counterparty risk**

There is a risk, which is higher in the current uncertain economic environment, that contracts and other arrangements to which OUM and QOL are party and obtain a benefit (such as concentrate sales, currency and metal price hedging agreements) will not be performed by the relevant counterparties if the those counterparties become insolvent or are otherwise unable to perform their obligations.

**3. General risk factors**

In addition to the specific business risks above, there are a number of general risks associated with holding OUM shares including, but not limited to, the following risks which may impact the operations or financial performance of the Merged Group, the market for its products or the price of OUM shares:

- (a) changes to government, legislation, government or regulatory regulations and policy (including

taxation laws and policies, accounting laws, policies and standards and practices, fiscal, monetary and regulatory policies and changes in government and the introduction of carbon tax and trading emission schemes and government “climate-change” policy);

(b) the condition of the Australian and overseas economies (including the aggregate investment being undertaken and economic output occurring in those economies, inflation and interest rates and the prices of products which are inputs used in the operations of the Merged Group);

(c) investor sentiment, local and international stock market conditions, adverse industry publicity and recommendations by brokers and analysts; and

(d) global geo-political events, hostilities and acts of terrorism.

# Section 13

## Taxation Information

### 1. Background

This taxation summary provides a general description of the Australian taxation consequences for QOL shareholders who dispose of their QOL shares pursuant to the Offer and does not take into account the specific circumstances of any particular QOL shareholder. This taxation summary is not, and is not intended to be, taxation advice to any QOL shareholder and should not be relied on as such.

The summary does not address the taxation consequences for:

- (a) QOL shareholders who are subject to special tax rules (for example, tax exempt entities, insurance companies and superannuation funds);
- (b) QOL shareholders who acquired their QOL shares (or options to acquire QOL shares) in respect of their employment, or an associate's employment, with QOL or an associated company of QOL; and
- (c) non-resident QOL shareholders who hold their QOL shares through a permanent establishment in Australia.

All QOL shareholders should seek their own independent professional advice regarding the taxation implications associated with the Offer.

The following description is based upon the Income Tax Assessment Act 1936 and the Income Tax Assessment Act 1997 as in effect at 12 March 2009 but it is not intended to be an authoritative or complete statement of the applicable law.

Under the Offer QOL shareholders will receive 1 OUM share for each 4.79 QOL shares held.

### 2. Capital Gains Tax

#### (a) Summary

The sale of QOL shares pursuant to the Offer will constitute a disposal of the QOL shares and a "CGT event" for Australian capital gains tax (CGT) purposes. The "date of disposal" for capital gains tax purposes will generally be the date that the Offer is accepted. If, for any reason the Offer does not proceed, no disposal will occur. A QOL shareholder may make a capital gain or a capital loss from the disposal of QOL shares pursuant to the Offer. These amounts will be relevant in determining whether the QOL shareholder is required to include a net capital gain in their assessable income for the income year in which the Offer is accepted.

In general, capital gains and capital losses are firstly aggregated to determine whether there is a net capital gain, which is calculated after taking into account any discount capital gains or other concessions in respect of the capital gains. The remaining net capital gain is included in assessable income and subject to tax at the applicable marginal rate of the QOL shareholder.

#### (b) Capital Gain

##### Australian Resident Shareholders

The taxation treatment on the disposal of

ordinary shares by QOL shareholders will depend upon whether the shares are held on revenue or capital account.

Australian resident shareholders who trade in QOL ordinary shares as part of the ordinary course of their business would hold their shares on revenue account. These shareholders will be required to include the profit arising from the disposal of their ordinary shares in their assessable income. Conversely, a loss arising from the disposal of ordinary shares on revenue account would be allowed as a deduction from assessable income.

Generally, all other Australian resident QOL shareholders will hold their ordinary shares on capital account. These Australian resident shareholders should consider the impact of Australian capital gains tax rules on the disposal of their ordinary shares.

A QOL shareholder will acquire their ordinary shares in OUM on the date the offer is accepted. The cost base of the OUM ordinary shares acquired under the Offer should be determined with reference to the market value of OUM ordinary shares on the date of issue (that is, the date of disposal of their QOL shares). This is subject to obtaining access to scrip for scrip rollover relief discussed below, in which case the cost base of OUM shares will be determined with reference to the cost base of the QOL shares.

Subject to the application of the CGT scrip-for-scrip roll-over relief discussed below, an Australian resident QOL shareholder will derive a capital gain where the proceeds received on disposal of their QOL shares exceed the cost base. The capital proceeds received on disposal will be the market value of the OUM

shares the QOL shareholder receives under the Offer.

A QOL shareholder will make a capital loss on the disposal of their QOL ordinary share where the disposal proceeds received are less than the reduced cost base of the ordinary share for capital gains tax purposes. Capital losses can only be used to offset current year capital gains or carried forward to offset future capital gains. They cannot be used to reduce non capital income.

Any net capital gain (after recoupment of capital losses) is included in the shareholder's assessable income. The applicable tax payable on the net capital gain will be dependant on the type of shareholder. An Australian tax resident individual Shareholder will be taxed at their marginal rate. Alternatively, an Australian resident company Shareholder will be subject to tax at the corporate rate of 30% of taxable income.

Where an Australian resident shareholder has held the ordinary share as a capital asset for at least 12 months the capital gain may be reduced by the general CGT discount concession for particular shareholders. The discount percentage for individuals and trusts is 50%, and for complying superannuation funds and life insurance companies 33%. This means generally only 50% (for individuals and trusts) and 67% (for complying superannuation funds) of the capital gain is included in the Shareholder's assessable income after the offset of any capital losses. Corporate shareholders are not eligible for the general CGT discount concession.

### **Non-Australian Resident Shareholders**

Where non-Australian resident

shareholders hold QOL ordinary shares on revenue account, the profits on their disposal may be required to be included in the shareholder's assessable income. This is subject to the application of any double tax treaty relief which may exclude such profits from Australian taxation.

Generally, all other non-Australian resident QOL shareholders will hold their ordinary shares on capital account. These shareholders should consider the impact of Australian capital gains tax rules on the disposal of their QOL ordinary shares.

Non-Australian resident shareholders are only subject to Australian capital gains tax where those shareholders are disposing of shares in an Australian company where they held 10% or more of the Company and the company predominately holds interests in land and/or mining, quarrying or prospecting rights within Australia. This will also be subject to any double tax treaty relief.

Non-Australian resident shareholders will need to seek specific advice in respect of their particular circumstances with respect to Australian capital gains tax on the disposal of shares in QOL at the time of any disposal.

### **(c) Scrip-for-scrip Rollover Relief**

If as a result of the Offer, OUM acquires at least 80% of the voting shares in QOL, CGT scrip-for-scrip rollover relief (Rollover Relief) may be available to QOL qualifying shareholders who would otherwise realise a capital gain from the disposal of QOL shares pursuant to the Offer. Scrip for scrip roll over relief may not be available to non-residents. Non-residents should seek tax advice in relation to how the rollover relief applies to their specific circumstances.

The cost base for OUM shares acquired under the Offer and subject to rollover relief will generally be the cost base of the original parcel of QOL shares disposed of under the offer.

Rollover Relief will not be available to QOL shareholders who realise a capital loss from the disposal of QOL shares. Where Rollover Relief is available a QOL shareholder can elect to either obtain Rollover Relief or recognise the capital gain. A QOL shareholder cannot elect for Rollover Relief to apply where the disposal of QOL shares gives rise to a capital loss. If Rollover Relief is available and the QOL shareholder elects for Rollover Relief to apply, any capital gain realised by the QOL shareholder from the disposal of QOL shares will be disregarded and the QOL shareholder will acquire a cost base in the replacement OUM shares equal to its cost base in the QOL shares prior to disposal.

If Rollover Relief is available and a QOL shareholder elects for it to apply, the QOL shareholder does not need to lodge a formal election or other document with the Australian Taxation Office. Instead, the income tax return of the QOL shareholder needs to be completed in a manner consistent with the Rollover Relief being available. The effect of choosing Rollover Relief will depend upon the particular circumstances of each QOL shareholder and may not benefit all shareholders. QOL shareholders should seek their own independent tax advice in relation to whether to choose Rollover Relief.

On 13 May 2008, the Federal Government announced proposed changes to the scrip-for-scrip rollover provisions. Where, just after a takeover arrangement is completed, the market

value of the shares of an acquiring entity is less than 20% of the market value of the shares of the combined acquiring and target entities then scrip for scrip roll over relief may not be available. Given the current proposed arrangement, this provision may not be relevant. Legislation to bring these provisions into law is currently before the Parliament as part of Tax Laws Amendment (2008 Measures No. 6) Bill 2009.

### **3. GST**

Australian GST should not apply to the disposal of QOL shares by QOL shareholders, the issue of OUM shares, or any subsequent disposal of OUM shares by OUM shareholders. QOL shareholders who are registered for Australian GST purposes may not be entitled to full input tax credits for any GST incurred on costs associated with acquiring or disposing of shares in OUM or QOL. QOL shareholders should seek their own tax advice in this respect.

### **4. Stamp Duty**

No stamp duty will be payable by QOL shareholders either on the transfer of QOL shares to OUM or on the issue of OUM shares to QOL shareholders.

# Section 14

## Other material information

### 1. Information held by OUM

OUM entered into a Confidentiality Agreement with QOL on the 3 December 2008 where after OUM collated all available information in relation to QOL's interest in the Wolfram Camp Project and the Mt Cannindah and Bamford Hill exploration tenements.

### 2. Voting power of Bidder and OUM in QOL

As at the date of this Bidder's Statement, the Bidder and its Associates had a voting power in QOL equivalent to 3.65 million ordinary shares.

### 3. Relevant Interests of Bidder and OUM in QOL

As at the date of the bid, the Bidder and its Associates had a Relevant Interest in of 3.65 million ordinary shares in QOL.

### 4. Acquisition by Bidder and OUM of QOL shares during previous four months

The Bidder acquired [1,250,000] ordinary shares in QOL on market on 2 December 2008 at \$0.005 per share. No other shares in QOL have been acquired by either OUM or its Associates in the 4 months preceding the date of this Bidder's Statement.

### 5. Inducing benefits given by Bidder during the previous four months

During the period of 4 months before the date of this Bidder's Statement, neither Bidder nor any Associate of Bidder gave,

offered to give or agreed to give, a benefit to another person that is not available under the Offer to all QOL shareholders and was likely to induce the other person, or an Associate of the other person, to:

- (a) accept the Offer; or
- (b) dispose of QOL shares.

### 6. Directors' interests in QOL shares

As at 13 March 2009 Directors of the Bidder held interests in QOL and OUM as follows:

Christopher Terence Jordinson –  
2,471,668 Ordinary shares

### 7. Fees and benefits payable to and interests of directors and advisers

Other than as set out below or elsewhere in this document, no:

- (a) director or proposed director of OUM;
- (b) person named in this document as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this document;
- (c) promoter of OUM; or has, or had within two years before 13 March 2009 any interest in:
  - (i) the formation or promotion of OUM;
  - (ii) any property acquired or proposed



- to be acquired by Bidder in connection with its formation or promotion or in connection with the Takeover Bid; or
- (iii) the Takeover Bid.

Additionally, other than as set out below or elsewhere in this document, no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to:

any director or a proposed director of OUM as an inducement to become, or qualify as, a director of OUM; or

any one of those persons listed in paragraphs 14.7(a) to (c) above for services rendered by those persons in connection with the formation or promotion of OUM.

## 8. QOL securities

As at 13 March 2009, QOL had the following classes of securities and number of securities in those classes:

Class of securities	Number of securities in the class
Ordinary shares	220,805,122
Unlisted options	1,300,000

## 9. Offer extends to new QOL shares

For the purposes of section 633(2) of the Corporations Act, the date for determining the persons to whom information is to be sent in items 6 and 12 of section 633(1) is the Register Date, being 13 March 2009. The Offer extends to persons who become registered, or entitled to be registered, as holders of QOL shares during the period from the Register Date to the end of the Offer Period due to the conversion of, or

exercise of rights attached to, securities convertible into QOL shares which are on issue on the Register Date. If additional QOL shares are issued after the end of the Offer Period, subject to Bidder being entitled to compulsorily acquire QOL shares under Chapter 6A of the Corporations Act, Bidder may compulsorily acquire any QOL shares issued after the end of the Offer Period.

## 10. Material information

Except as set out in this document, there is no information material to the making of a decision by QOL shareholders whether or not to accept the Offer, being information that is known to OUM and has not previously been disclosed to the holders of QOL shares.

## 11. OUM is a disclosing entity

Because OUM shares are being offered as consideration for the acquisition of QOL shares under the Offer, the Corporations Act requires that this document must include all information that would be required for a prospectus for an offer of OUM shares under sections 710 to 713 of the Corporations Act. Bidder does not need to issue a prospectus for the offer of OUM shares as the offer is occurring under a takeover bid. OUM is a disclosing entity (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, OUM is required to continuously disclose any information it has, to the market which a reasonable person would expect to have a material effect on the price or the value of OUM shares. OUM shares have been quoted on ASX since 2 September 2008 and are continuously quoted securities as defined

in section 9 of the Corporations Act.

OUM, as a disclosing entity under the Corporations Act, states that:

- (i) it is subject to regular reporting and disclosure obligations;
- (ii) copies of documents lodged with ASIC in relation to OUM (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, an ASIC office; and
- (iii) it will provide a copy of each of the following documents, free of charge, to any person on request during the Offer Period:
  - (iv) the annual financial report of OUM for the 12 months ended 30 June 2008 (being the annual financial report most recently lodged by OUM with ASIC);
  - (v) a copy of OUM's half yearly report to 31 December 2008 (being the half yearly report most recently lodged by OUM with ASIC); and
  - (vi) all continuous disclosure notices given by OUM after the lodgement of that annual financial report with ASIC and before the lodgement of the Bidder's Statement with ASIC.

Requests for copies of these documents may be made by calling OUM on (02) 9420 7200 from within Australia or +61 2 9420 7200 from outside Australia. Copies of all documents lodged with ASIC in relation to OUM can be inspected at the registered office of OUM during normal office hours. A list of material announcements relating to the Offer

appears in Annexure A. A list of announcements made by OUM to ASX between the date of lodgement with ASIC of its annual financial report for the year ended 30 June 2008 (being 31 October 2008) and the lodgement of this Bidder's Statement with ASIC on 13 March 2008 appears in Annexure B.

Other than information contained in this document, there is no information which has been excluded from a continuous disclosure notice in accordance with the Listing Rules and is information that a QOL shareholder or a professional adviser to a QOL shareholder would reasonably require for the purpose of making an informed assessment of:

- (a) the assets and liabilities, financial position and performance, profits and losses and prospects of OUM; or
- (b) the rights and liabilities attaching to the OUM shares.

None of the information referred to in this section 14 is incorporated by reference into this document or is included with this document.

## **12. Consents**

### **(a) Statements in this Bidder's Statement**

OUM has given its consent to each statement by it, and to each statement said in this Bidder's Statement to be based on a statement by it, being included in this Bidder's Statement in the form and context in which it is included. OUM has not withdrawn that consent before this Bidder's Statement was lodged with ASIC.

**(b) Consents not required under ASIC Class Orders**

This Bidder's Statement includes or is accompanied by statements which are made in, or based on, statements made in documents lodged with ASIC or ASX. Under the terms of ASIC Class Order 01/1543, the parties making those statements are not required to consent to, and have not consented to, the inclusion of those statements in this Bidder's Statement. QOL shareholders are entitled to obtain from OUM free of charge a copy of any document which contained such a statement. If you would like to receive a copy of any of these documents, please contact the OUM on (02) 9420 7200 from within Australia or +61 2 9420 7200 from outside Australia and you will be sent a copy free of charge.

exercised and the holders of those share accepted the Offer is approximately 46,097,103 OUM shares. OUM has the capacity to issue the maximum number of OUM shares which it may be required to issue under the Offer.

**13. Status of Defeating Conditions**

The conditions of the Offer are set out in section 16. OUM will use all reasonable endeavours to ensure the Defeating Conditions are satisfied as soon as possible after 13 March 2009.

**14. Expiry date**

No OUM shares will be issued on the basis of this document and the Offer contained in this document after the date that is 13 months after 13 March 2009.

**15. OUM share consideration**

Based on the number of QOL shares on issue on 13 March 2009 (including QOL performance rights and QOL options on issue), the maximum number of OUM shares which would be required to be issued under the Offer if every QOL shareholder accepted and QOL performance rights and options were

# Section 15

## Formal terms of the Offer

### 1. The Offer

(a) Bidder offers to acquire all of your QOL shares, including any QOL shares which become registered in your name in the register of shareholders of QOL during the period from the Register Date to the end of the Offer Period due to the conversion of, or exercise of rights attached to, other securities convertible into QOL shares which are on issue on the Register Date, for the Offer Consideration on the terms and subject to the conditions set out in the Offer.

(b) Bidder will be entitled to all Rights that accrue after the Announcement Date to QOL shares which it acquires under the Offer. If any Rights are received by you and such documents as may be necessary to vest title to those Rights in Bidder are not passed on to Bidder, or the benefit of those Rights is not passed on to Bidder, Bidder may reduce the consideration payable to you under the Offer by the amount (or value, as reasonably assessed by Bidder) of those Rights.

(c) The Offer extends to any person who becomes registered or entitled to be registered as the holder of any of your QOL shares during the period from the Register Date to the end of the Offer Period.

(d) The Offer is dated 13 March 2009.

### 2. Offer Consideration

(a) You will receive the Offer Consideration if you accept the Offer and all of the Defeating Conditions are satisfied or waived.

(b) The Offer Consideration is 1 OUM share for every 4.79 QOL shares held.

(c) If you become entitled to a fraction of one OUM share in respect of any single CHES Holding or Issuer Sponsored Holding of QOL shares in your name, that fraction will be disregarded and will be rounded down to the nearest whole OUM share.

(d) OUM shares to be issued under the Offer will rank equally in all respects with existing OUM shares.

### 3. Offer Period

The Offer will, unless withdrawn, remain open for acceptance during the period commencing on the date of the Offer, being 13 March 2009 and ending at 5.00 pm (Sydney time) on the later of:

(a) 17 April 2009.; or

(b) any date to which the Offer Period is extended in accordance with the Corporations Act.

### 4. Official quotation of OUM shares

(a) OUM has been admitted to the official list of ASX and OUM shares are traded on ASX. OUM shares of the same class as those to be issued

under the Offer have been granted official quotation by ASX.

- (b) An application will be made to ASX within seven days after 13 March 2009 for the granting of official quotation of the OUM shares to be issued as Offer Consideration.

## 5. Persons to whom the Offer is made

### (a) Offerees

- (i) An Offer in this form and bearing the same date is being made to:

- A. each holder of QOL shares registered in QOL's register of QOL shareholders as at the Register Date; and

- B. any person who becomes registered or entitled to be registered as the holder of QOL shares during the period from the Register Date to the end of the Offer Period due to the conversion of, or exercise of rights attached to, other securities convertible into QOL shares which are on issue on the Register Date.

- (ii) If at the time the Offer is made to you, or at any time during the period from the Register Date to the end of the Offer Period and before you accept the Offer, another person is, or is entitled to be, registered as the holder of some or all of your QOL shares to which the Offer relates (Transferred Shares), then:

- A. a corresponding Offer will be deemed to have been made to that other person in respect of the Transferred Shares;

- B. a corresponding Offer will be deemed to have been made to you in respect of your QOL shares other than the Transferred Shares; and

- C. the Offer is deemed to have been withdrawn immediately after making such corresponding offers.

### (b) Trustees and nominees

If you are a trustee or nominee for several persons in respect of separate parcels of QOL shares, section 653B of the Corporations Act deems an Offer to have been made to you in respect of each separate and distinct parcel.

- (ii) To validly accept the Offer for any of those separate and distinct parcels, you must:

- A. if the parcel consists of QOL shares held in an Issuer Sponsored Holding, complete and sign the Acceptance Form; and

- B. if the parcel consists of QOL shares held in a CHESS Holding, initiate acceptance in accordance with Rule 14.14 of the ASTC Settlement Rules, in each case specifying that the QOL shares in respect of which you are accepting are a separate and distinct parcel and the number of QOL shares in the separate and distinct parcel to which the acceptance relates.

- (iii) If you are trustee or nominee for several persons in respect of separate and distinct parcels of QOL shares, you may make a separate Election in relation to each of those parcels of QOL shares.

- (iv) You may at the one time accept the Offer in respect of two or more such separate and distinct parcels as if they were a single parcel.

- (v) If this section 15.5(b) applies to you, please contact the OUM on (02) 9420

7200 from within Australia or +61 2 9420 7200 from outside Australia for such additional copies of this document or the Acceptance Form as are necessary.

## **6. How to accept the Offer**

### **(a) General**

Subject to sections 15.5(b) and 15.6(h), you may only accept the Offer in respect of all of your QOL shares.

You may accept the Offer at any time during the Offer Period.

### **(b) Issuer Sponsored Holdings**

If any of your QOL shares are in an Issuer Sponsored Holding, to accept the Offer in respect of those QOL shares you must:

- (i) complete and sign the Acceptance Form in accordance with the instructions on the Acceptance Form; and
- (ii) ensure that the Acceptance Form together with all other documents required by the terms of the Offer and the instructions on the form are received before the expiry of the Offer Period at one of the addresses given on the Acceptance Form.

### **(c) CHESSE Holdings**

(i) If your QOL shares are in a CHESSE Holding, to accept the Offer you must comply with the ASTC Settlement Rules. To accept the Offer in respect of those QOL shares:

A. you should instruct your Controlling Participant (usually your Broker) to initiate acceptance of the Offer in accordance with Rule 14.14 of the ASTC Settlement Rules before the expiry of the Offer Period; or

B. if you are a Participant, you must initiate acceptance of the Offer in accordance with the ASTC Settlement Rules before the expiry of the Offer Period.

Alternatively, you may complete and sign the Acceptance Form in respect of those QOL shares which are in the CHESSE Holding in accordance with the instructions on the form and return the form, together with all other documents required by those instructions, to the address given on the Acceptance Form. This will authorise OUM to instruct your Controlling Participant to initiate acceptance of the Offer on your behalf. You must ensure that the Acceptance Form is received in time for OUM to give instructions to your Controlling Participant and your Controlling Participant to carry out those instructions before the expiry of the Offer Period. You will be taken to have completed acceptance of the Offer when your Controlling Participant initiates acceptance of the Offer in accordance with Rule 14.14 of the ASTC Settlement Rules.

### **(d) QOL shares held in different forms**

If your QOL shares are held in different parcels in different forms, your acceptance of the Offer will require action under sections 15.6(b) and 15.6(c) in relation to the different parcels of your QOL shares.

### **(e) Nominee holdings**

If your QOL shares are registered in the name of a broker, investment dealer, bank, trust company or other nominee, you should contact that nominee for assistance in accepting the Offer.

#### **(f) Status of Acceptance Form**

The Acceptance Form which accompanies this document forms part of the Offer. The requirements on the Acceptance Form must be observed when accepting the Offer. Acceptance of the Offer for QOL shares held in an Issuer Sponsored Holding will be effective only when (subject to section 15.6(b)) the properly completed Acceptance Form (together with any document required by the instructions on that form) has been received at one of the addresses set out on the Acceptance Form. The method chosen to deliver the Acceptance Form and other documents is at the risk of each accepting QOL shareholder.

#### **(g) Where to deliver your Acceptance Form**

You may send your completed and signed Acceptance Form (and any other documents, if any, required by the instructions on the Acceptance Form) by post to:

Registries Limited  
Outback Metals Limited Offer  
GPO Box 3993  
SYDNEY NSW 2001

Alternatively you can deliver your completed and signed Acceptance Form in person to:

Registries Limited  
Outback Metals Limited Offer  
Level 7, 207 Kent Street  
Sydney NSW 2000

#### **(h) OUM's discretion**

Notwithstanding sections 15.6(a) and 15.6(f), OUM may at its discretion treat any Acceptance Form received before the

end of the Offer Period (at an address indicated on the Acceptance Form or such other address or fax number as may be acceptable to OUM) as valid or waive any requirement of section 15.6(a) or 15.6(f) in any case, but the payment of the consideration in accordance with the Offer may be delayed until any irregularity has been resolved or waived and any other documents required to procure registration have been received by OUM.

#### **7. Effect of acceptance**

By accepting the Offer, or initiating acceptance of the Offer, in accordance with section 15.6, you will, or will be deemed to, have:

- (a) accepted the Offer for all of your QOL shares and irrevocably agreed to the terms and conditions of the Offer to sell all of your QOL shares to Bidder (regardless of the number of QOL shares specified in the Acceptance Form or other acceptance);
- (b) subject to the Offer being declared free from the Defeating Conditions or those conditions being satisfied or waived, agreed to transfer all of your QOL shares to Bidder in accordance with the terms set out in the Offer;
- (c) subject to the Offer being declared free from the Defeating Conditions or those conditions being satisfied or waived, authorised OUM to issue to you the OUM shares due to you, and to register your name in the OUM register of shareholders in respect of those OUM shares, and agreed that you will be bound by the Constitution;
- (d) authorised Bidder (by its directors, officers or agents) to complete your

Acceptance Form by inserting such details as are omitted in respect of your QOL shares and to rectify any errors in or omissions from the Acceptance Form (including, without limiting the generality of the foregoing, altering the number of QOL shares stated to be held by you if it is otherwise than as set out in the Acceptance Form) as may be necessary to make the Acceptance Form an effective acceptance of the Offer or to enable registration of the transfer of all of your QOL shares to Bidder;

- (e) represented and warranted to Bidder that as a fundamental condition going to the root of the contract that, both at the time of acceptance of the Offer and at the time of transfer of your QOL shares to Bidder, your QOL shares (including any Rights) are fully paid and free from all mortgages, charges, liens, encumbrances, interests of third parties of any kind (whether legal or otherwise) and restrictions on transfer of any kind and that you have full power, capacity and authority to sell and transfer your QOL shares (including the legal and beneficial ownership in those QOL shares and any Rights);
- (f) with effect from the date that the Offer, or any contract resulting from your acceptance of the Offer, becomes unconditional until registration of a transfer of your QOL shares to Bidder, irrevocably appointed Bidder and each of its directors, secretaries and officers severally as your true and lawful exclusive attorney, agent and proxy in your name and on your behalf, with power to do all things which you could lawfully do concerning your QOL shares or in exercise of any right

derived from the holding of your QOL shares, including (without limiting the generality of the foregoing):

- (i) attending and voting at any meeting of QOL shareholders;
- (ii) demanding a poll for any vote to be taken at any meeting of QOL shareholders;
- (iii) proposing or seconding any resolution to be considered at any meeting of QOL shareholders;
- (iv) requisitioning the convening of any meeting of QOL shareholders and convening a meeting pursuant to any such requisition (or joining with other QOL shareholders to do either of those things);
- (v) notifying QOL that your address in the records of QOL for all purposes, including the despatch of notices of meeting, annual reports and distributions, should be altered to an address nominated by Bidder and directing QOL to send all correspondence, payments or notifications in respect of any Rights and any other communications and documents whatsoever in respect of your QOL shares to Bidder at that address;
- (vi) executing all forms, transfers, assignments, notices, instruments (including instruments appointing a director of Bidder as a proxy in respect of all or any of your QOL shares and a transfer form for your QOL shares), proxy forms, consents, agreements and resolutions relating to your QOL shares as may be necessary or desirable to convey your QOL shares and Rights to Bidder;



(vii) requesting QOL to register in the name of Bidder your QOL shares which you hold on any register of QOL; and

(viii) doing all things incidental or ancillary to any of the foregoing, and to have agreed that in exercising the powers conferred by that power of attorney, the attorney may act in the interests of Bidder as the intended registered holder and beneficial owner of your QOL shares and to have further agreed to do all such acts, matters and things that Bidder may require to give effect to the matters the subject of this paragraph (including the execution of a written proxy form to the same effect as this paragraph which complies in all respects with the requirements of the constitution of QOL) if requested by Bidder.

(g) agreed that the appointment in section 15.7(f) is being given for valuable consideration to secure the interest acquired in your QOL shares and is irrevocable;

(h) agreed, in the absence of a prior waiver of this requirement by Bidder, not to attend or vote in person at any meeting of QOL or to exercise any of the powers conferred on Bidder or its nominee in section 15.7(f);

(i) agreed to indemnify Bidder in respect of any claim or action against it or any loss, damage or liability whatsoever incurred by it as a result of you not producing your Holder Identification Number or in consequence of the transfer of your QOL shares being registered by Bidder without production of your Holder Identification Number for your QOL shares;

(j) represented and warranted to, and agreed with, Bidder that your QOL shares in respect of which you have accepted the Offer will be purchased by Bidder with all Rights (being those accruing after the Announcement Date) and you will execute all such instruments as Bidder may require for the purposes of vesting in it any such Rights;

(k) irrevocably authorised and directed QOL to pay Bidder or to account to Bidder for all Rights (being those accruing after the Announcement Date) in respect of your QOL shares subject, however, to any such Rights received by Bidder being accounted for by Bidder to you if the Offer is withdrawn or the contract formed by your acceptance of the Offer is rescinded or rendered void;

(l) except where Rights (being those accruing after the Announcement Date) have been paid or accounted for under section 15.7(k), irrevocably authorised Bidder and its directors to adjust the consideration payable to you under the Offer by the value of all Rights in respect of your QOL shares as reasonably assessed by Bidder (or, if there is a dispute, by the Chairman of ASX or his nominee), and agreed that any deduction will be made from the Offer Consideration otherwise due to you on the basis that the value of one QOL right over value of QOL share as at the exercise date multiplied by the number of rights, divided by 4.79 equals the number of QOL shares by which your consideration will be reduced.

(m) if you signed the Acceptance Form in respect of any of your QOL shares in a CHESS Holding, irrevocably authorised Bidder to:

(i) instruct your Controlling Participant to initiate acceptance of the Offer in respect of all such QOL shares in accordance with the ASTC Settlement Rules; and

(ii) give any other instruction in relation to your QOL shares to your Controlling Participant on your behalf under the sponsorship agreement between you and the Controlling Participant, even though at the time of such transfer Bidder has not paid the consideration due to you under the Offer;

(n) if at the time of acceptance of the Offer your QOL shares are in a CHESS Holding, with effect from the date that the Offer, or any contract resulting from your acceptance of the Offer, becomes unconditional, authorised Bidder to cause a message to be transmitted to ASTC in accordance with Rule 14.17.1 of the ASTC Settlement Rules so as to transfer your QOL shares to Bidder's takeover transferee holding, even though at the time of such transfer Bidder has not paid the consideration due to you under the Offer; and

(o) represented and warranted to Bidder that, unless you have notified Bidder in accordance with section 15.5(b), your QOL shares do not consist of separate parcels of QOL shares.

## **8. you will receive your Offer Consideration**

(a) Subject to sections 15.6(h), 15.8(b), 15.9 and 15.10 and to the Corporations Act, if you accept the Offer Bidder will allot the Offer Consideration that you are entitled to under section 15.2 on or before the earlier of:

(i) the day one month after you accept the Offer or, if the Offer is subject to a Defeating Condition when accepted, the day one month after the contract resulting from your acceptance becomes unconditional; and

(ii) the day 21 days after the end of the Offer Period.

(b) Where documents are required to be given to Bidder with your acceptance to enable Bidder to become the holder of your QOL shares (such as a power of attorney):

(i) if the documents are given with your acceptance, Bidder will allot the Offer Consideration to you in accordance with section 15.8(a);

(ii) if the documents are given after acceptance and before the end of the Offer Period while the Offer is still subject to a Defeating Condition, Bidder will allot the Offer Consideration to you by the end of whichever of the following periods ends first:

A. one month after the contract resulting from your acceptance becomes unconditional; and

B. 21 days after the end of the Offer Period;

(i) if the documents are given after acceptance and before the end of the Offer Period while the Offer is no longer subject to a Defeating Condition, Bidder will allot the Offer Consideration to you by the end of whichever of the following periods ends first:

- (ii) one month after Bidder is given the documents; and
  - (iii) 21 days after the end of the Offer Period;
  - (iv) if the documents are given after the end of the Offer Period while the Offer is no longer subject to a Defeating Condition, Bidder will allot the Offer Consideration to you within 21 days after the documents are given; or
  - (v) if the documents are given after the end of the Offer Period while the Offer is still subject to a Defeating Condition, Bidder will allot the Offer Consideration to you within 21 days after the contract which arises upon your acceptance of the Offer becomes unconditional.
- (c) If you accept the Offer, Bidder is entitled to all Rights (being those accruing after the Announcement Date) in respect of your QOL shares. Bidder may require you to provide all documents necessary to vest title to those Rights in Bidder, or otherwise to give it the benefit or value of those Rights. If you do not do so before Bidder has the Offer Consideration allotted to you, Bidder will be entitled to deduct the amount (or value, as reasonably assessed by Bidder) of such Rights from the consideration otherwise due to you. Any such deduction will be made from the Offer Consideration that you are otherwise entitled to on the basis that the value of one QOL right over value of QOL share as at the exercise date multiplied by the number of rights, divided by 4.79 equals the number of QOL shares by which your consideration will be reduced.
- (d) The obligation of Bidder to cause OUM to allot any OUM shares to which you are entitled under the Offer will be satisfied by OUM:
- (i) entering your name on the register of shareholders of OUM; and
  - (ii) despatching or procuring the despatch to you of an uncertificated holding statement in your name by pre-paid ordinary mail or, in the case of addresses outside Australia, by pre-paid airmail, to your address as shown on the register of QOL shareholders maintained by OUM. If your QOL shares are held in a joint name, an uncertificated holding statement will be issued in the name of the joint holders and forwarded to the address that appears first in the copy of the register of QOL shareholders maintained by OUM.
- (e) If, at the time of acceptance of the Offer, you are resident in or a resident of a place to which, or you are a person to whom, the following regulations apply:
- (i) the Banking (Foreign Exchange) Regulations 1959; or
  - (ii) the Charter of the United Nations (Terrorism and Dealing with Assets) Regulations 2002; or
  - (iii) the Charter of the United Nations (Sanctions – Afghanistan) Regulations 2001; or
  - (iv) the Charter of the United Nations (Sanctions - Iraq) Regulations 2006; or
  - (v) any other law of Australia that would make it unlawful for Bidder or OUM to provide consideration for

your QOL shares, acceptance of the Offer will not create for you or transfer to you any right (contractual or contingent) to receive the consideration specified in the Offer unless and until all requisite authorities or clearances have been obtained by Bidder or OUM.

The persons to whom and places to which the Banking (Foreign Exchange) Regulations 1959 currently apply include specified supporters of the former Milosevic government of the Federal Republic of Yugoslavia, specified ministers and senior officials of the government of Zimbabwe, certain specified entities associated with the Democratic People's Republic of Korea (North Korea) and specified individuals associated with the Burmese regime.

The persons to whom and places to which the Charter of the United Nations (Terrorism and Dealing with Assets) Regulations 2002 currently apply include the Taliban, Usama bin Laden, a member of the Al-Qaida organisation, and any person or entity named in the list maintained by the Committee under Resolution 1390 (2002) of the Security Council of the United Nations.

The persons to whom and places to which the Charter of the United Nations (Sanctions – Afghanistan) Regulations 2001 currently apply include the Taliban territory, a bin Laden entity and a Taliban entity (as those terms are defined in those regulations).

## 9. Ineligible Overseas Shareholders

(a) If you are an Ineligible Overseas Shareholder, you will not be entitled to receive OUM shares as part of the Offer Consideration for your QOL shares as a result of accepting the Offer.

(b) In respect of those OUM shares which you would have become entitled to receive under section 15.2 but for section 15.9(a), Bidder will:

(a) arrange for the issue to the Nominee of the number of OUM shares which you and all other Ineligible Overseas Shareholders would have been entitled to under section 15.2 but for section 15.9(a);

(b) cause the Nominee to sell on-market, or cause the Nominee to procure the on-market sale of, all of the OUM shares issued to it under section 15.9(b)(i) as soon as practicable and in any event not more than 30 Business Days after the close of the Offer;

(c) after the sale of the OUM shares pursuant to section 15.9(b)(ii), cause the Nominee to pay, or procure the payment of, the amount which is received by the Nominee upon the sale of all OUM shares under section 15.9(b)(ii) less brokerage and other sale expenses (**Proceeds of Sale**) to Bidder; and

(d) pay, or procure the payment of the proportion of the Proceeds of Sale which you are entitled to receive, ascertained in accordance with the following formula:

**Proceeds of Sale x (A/B)** where:

- **A** is the number of OUM shares which Bidder would otherwise be required to cause OUM to issue to you as a result of your acceptance of the Offer under section 15.2; and

- **B** is the total number of OUM shares issued to the Nominee under section 15.9(b)(i).

- (e) The amount payable to you under section 15.9(b) will be paid by cheque in one lump sum in Australian currency. The cheque will be sent to you at your risk by pre-paid airmail to your address as shown on the copy of the register of QOL shareholders maintained by OUM. Under no circumstances will interest be paid on the proceeds of this sale, regardless of any delay in remitting these proceeds to you.
- (f) Notwithstanding anything else contained in this document, neither Bidder nor OUM is under any obligation to spend any money, or undertake any action, in order to satisfy itself that a person is not an Ineligible Overseas Shareholder and is therefore eligible to receive OUM shares under the Offer.

## 10. Defeating Conditions

The Offer and any contract that results from the acceptance of the Offer are subject to fulfilment of the Defeating Conditions set out in section 16.

## 11. Nature and effect of conditions

- (a) Each of the conditions set out in section 16 (other than the condition set out in paragraph 16.2) is a condition subsequent. The condition set out in paragraph 16.2 is a condition precedent and accordingly no contract to sell QOL shares arises from any acceptance of the Offer until the condition set out in paragraph 16.2 has been satisfied or the Offer has been declared free from that condition.
- (b) Each of the conditions set out in section 16 is a separate and distinct condition, and shall not be taken to limit

the meaning or effect of any other condition, nor shall any condition in section 16 merge on completion of any contract arising from acceptance of the Offer.

- (c) The breach or non-fulfilment of any condition subsequent does not prevent a contract to sell your QOL shares arising from your acceptance of the Offer, but if:

Bidder has not declared the Offer to be free from the conditions in section 16 before the date applicable under subsection 650F(1) of the Corporations Act; and

the conditions in section 16 have not been fulfilled at the end of the Offer Period, all contracts resulting from the acceptance of the Offer and all acceptances that have not resulted in binding contracts are void.

In such case, Bidder will:

- (a) return all documents forwarded by you to the address shown in the Acceptance Form; and
- (b) notify ASTC of the lapse of the Offer in accordance with Rule 14.19 of the ASTC Settlement Rules.

## 12. Benefit of the conditions

Subject to the provisions of the Corporations Act, Bidder alone shall be entitled to the benefit of the conditions in section 16 and any non-fulfilment of such conditions may be relied upon only by Bidder.

## 13. Freeing of the Offer from the Defeating Conditions

Subject to section 650F of the Corporations Act, Bidder may at any time

in its sole discretion declare the Offer free from any or all of the Defeating Conditions generally or in relation to any specific occurrence or any specific entity by giving notice in writing to QOL.

#### **14. Statutory condition**

The Offer and any contract that results from your acceptance of it are subject to the condition that:

- (i) an application is made to ASX within seven days after 13 March 2009 for the granting of admission to official quotation of the OUM shares to be issued as Offer Consideration; and
- (ii) permission for admission to official quotation by ASX of the OUM shares to be issued pursuant to the Offer is granted no later than seven days after the end of the Offer Period.

If this condition is not fulfilled, all contracts resulting from the acceptance of the Offer will be automatically void.

#### **15 Notice on the status of the conditions**

The date for giving the notice on the status of the conditions required by section 630(3) of the Corporations Act is (10 April 2009 subject to extension in accordance with section 630(2) of the Corporations Act if the Offer Period is extended).

#### **16 Variation of the Offer**

OUM may vary the Offer as permitted by Part 6.6 Division 2 of the Corporations Act.

#### **17 Withdrawal of the Offer**

(a) In accordance with section 652B of the Corporations Act, the Offer may only be withdrawn with the consent in writing of ASIC, which consent may be given subject to such conditions (if any) as are specified in the consent.

(b) If Bidder withdraws the Offer, all contracts arising from its acceptance will automatically be void.

#### **18 No stamp duty or brokerage charges**

Subject to section 15.9, no stamp duty or brokerage charges are payable by you if you accept the Offer.

#### **19 Governing law**

The Offer and any contract that results from your acceptance of the Offer are governed by the laws in force in New South Wales.

# Section 16

## Conditions of the Offer

The Offer and any contract that results from your acceptance of the Offer is subject to the following conditions being satisfied or waived by Bidder:

- **Minimum acceptance condition**

At the end of the Offer Period:

OUM and its Associates have a relevant interest in at least 90% (by number) of QOL Shares on issue; and

OUM and its Associates have acquired at least 75% (by number) of the QOL Shares subject to the Offer (whether the acquisitions occurred pursuant to the Offer or otherwise).

- **No prescribed occurrences**

None of the following events happen during the period beginning on the date the Bidder's Statement is given to the QOL and ending at the end of the Offer Period:

QOL converts all or any of its shares into a larger or smaller number of shares;

QOL or any subsidiary of QOL resolves to reduce its share capital in any way;

QOL or any subsidiary of QOL enters into a buy back agreement in relation to its shares; or

resolves to approve the terms of a buy back agreement of its shares;

QOL or any subsidiary of QOL issues shares or grants an option over its shares or agrees to make such an issue or grant such an option;

QOL or any subsidiary of QOL issues, or agrees to issue, convertible notes;

QOL or any subsidiary of QOL disposes or agrees to dispose, of the whole, or a substantial part, of its business or property;

QOL or any subsidiary of QOL charges, or agrees to charge, the whole, or a substantial part, of its business or property;

QOL or any subsidiary of QOL resolves to be wound up;

a liquidator or provisional liquidator of QOL or a subsidiary is appointed;

a court makes an order for the winding up of QOL or any subsidiary of QOL;

an administrator of QOL or a subsidiary of QOL is appointed under section 436A, 436B or 436C of the Corporations Act;

QOL or a subsidiary of QOL executes a deed of company arrangement;

a receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of QOL or a subsidiary of QOL; and

QOL, or any of its subsidiaries, proposes a shareholders' meeting to resolve to amend the provisions of its constitution.

That no event set out in paragraph □ above happens during the period beginning on the Announcement Date and ending at the end of the day before the Bidder's Statement is given to QOL.

- **No action by Regulatory Agency materially adversely affecting the Offer**

That during the Condition Period:

there is no in effect any preliminary or final decision, order or decree issued by a Regulatory Agency;

no action or investigation is instituted, or threatened by any Regulatory Agency; or

no application is made to any Regulatory Agency (other than an application by OUM or any associate of OUM, an application under section 657G of the Corporations Act, or an application commenced by a person specified in section 659B(1) of the Corporations Act in relation to the Offer), in consequence of, or in conjunction with, the Offer, which restrains or prohibits or threatens to restrain or prohibit, or may otherwise materially adversely impact upon, the making of the Offer or the completion of any transaction contemplated by the Bidder's Statement for the Offer or seeks to require the divestiture by OUM of any QOL Shares, or the divestiture of any assets by any company within the QOL Group or the OUM Group except to the extent that the regulatory action results from the action or inaction of OUM or its Associates.

- **Approvals by a Regulatory Agency**

That during the Condition Period all the QOL Approvals which are required by law or by any Regulatory Agency for any member of the QOL Group to carry on its business remain in force (including by renewal).

- **No further dividends, distributions or redemptions**

During the period commencing on the Announcement Date and ending at the end of the Offer Period neither QOL nor any subsidiary announces an intention to pay, declares or pays a dividend or any other form of distribution of profits or capital other than:

an Approved Dividend; or

the declaration and/or payment by any subsidiary of a dividend where the only recipient of that dividend is QOL or a wholly-owned subsidiary of QOL.

- **No material acquisitions, disposals or new commitments**

None of the following events occurs during the Condition Period:

QOL, or any of its subsidiaries acquires, offers to acquire, agrees to acquire or announces a bid or tenders for, one or more companies, businesses or assets (or any legal, beneficial or economic interest or right in one or more companies, businesses or assets) for an amount in aggregate greater than \$5 million or makes an announcement in relation to such an acquisition, offer, agreement, bid or tender;

QOL, or any of its subsidiaries, disposes of, offers to dispose of, or agrees to dispose of:

one or more companies, businesses or assets or any legal, beneficial or economic interest or right in anyone or more companies, businesses or assets for an amount, or in respect of which the book value (as recorded in QOL's statement of financial position as at 30 June 2008) is, in aggregate, greater than \$5 million; or

any legal, beneficial or economic interest or right in or in connection with any mining tenements, or makes any



announcement in relation to such a disposition, offer or agreement;

QOL, or any of its subsidiaries, enters into, or offers to enter into, any agreement, joint venture, partnership, farm-in agreement, management agreement, arrangement or commitment that:

would require expenditure, or the foregoing of revenue, by QOL and/or its subsidiaries of an amount or value which is, in aggregate, more than \$5 million, other than in the ordinary course of business, or

involves any legal, beneficial or economic interest or right in or in connection with the mining tenements of QOL and/or its subsidiaries, or makes an announcement in relation to such an entry, offer or agreement;

QOL, or any of its subsidiaries, enters into, or offers to enter into, a transaction that has the same economic effect as any of the things in clauses (a) to (c) above; or

QOL resolves to do any of the things in clauses (a) to (d) above.

This condition does not apply to any transaction or arrangement or proposed transaction or arrangement publicly announced by QOL before the Announcement Date.

- **Conduct of QOL's business**

Except as provided in this Agreement, that during the Condition Period, none of QOL, or any body corporate which is or becomes a subsidiary of QOL:

declares, or distributes any dividend, bonus or other share of its profit or assets;

issues or grants options over, or agrees or issue or grant options over, or otherwise makes any commitments regarding any shares or other securities, or alters its capital structure or the rights attached to any of its shares or other securities, or issues or agrees to issue any convertible notes or shares;

makes any changes to its constitution or passes any special resolution;

gives or agrees to give any Encumbrance over any of its assets otherwise than in the ordinary course of business;

borrowes or agrees to borrow any money (except for working capital borrowing from its bankers in the ordinary course of business);

releases, discharges or modifies any substantial obligation to it of any person, firm or corporation or agrees to do so;

has appointed any additional director to its board of directors whether to fill a casual vacancy or otherwise;

except as required by law does any of the following:

enters or agrees to enter into any contract of service or varies or agrees to vary any existing contract of service with any director or executive officer otherwise on existing terms contracts that are due to come up, and do come up, for re-negotiation during the Offer Period;

makes or agrees to make any substantial change in the basis or amount of remuneration of any director, executive officer or other employee; or

except as provided under any superannuation, provident or retirement scheme or contract in effect on the

Announcement Date, pays or agrees to pay any retirement benefit or allowance to any director, executive officer or other employee;

conducts its business otherwise than in the ordinary course;

has threatened or threatened against it any material claims or material proceedings in any court or tribunal (including, but not limited to, a petition for winding up or an application for appointment of a receiver and manager); or

becomes subject to investigation under the *Australian Securities and Investments Commission Act 2001 (Cth)* or any corresponding legislation.

This condition does not apply to any transaction or arrangement or proposed transaction or arrangement publicly announced by QOL before the Announcement Date or undertaken in the ordinary course of QOL's business.

- **Disclosure of certain rights**

Except in the case of agreements or arrangements where all material information has been disclosed to OUM by QOL, QOL fails to include in its Target's Statement, or make an announcement to ASX (on or before the date of issue of QOL's Target's Statement) which contains, a short description of:

all agreements or arrangements to which QOL or any company in which QOL holds more than 10 per cent of the issued share capital is a party or is subject, under which any person or government, governmental agency, or public authority, has or will have a right (whether subject to conditions or not) which results, or could result, in any agreement or arrangement being terminated or varied or any action being taken or arising there under as a

result of OUM acquiring QOL Shares or a specified number or proportion of QOL Shares (with the description to include the parties, and the consequences and rights arising under the agreement or arrangement of any acquisition of QOL Shares by OUM); and

all material provisions in agreements or arrangements which QOL or any company in which QOL holds more than 10 per cent of the issued share capital is a party or is subject, under which:

any other party to the agreement or arrangement has a right of first refusal or other rights of pre-emption as a result of OUM acquiring QOL Shares or a specified number or proportion of QOL Shares; and

any other party to the agreement or arrangement is granted rights of veto in relation to specified matters or which require a percentage of votes in favour (which percentage is more than that required for an ordinary resolution) in relation to specified matters. For the purposes of this announcement, matters for which the Corporations Act requires a special resolution need not be listed.

- **No persons exercising rights under certain agreements or instructions**

After the Announcement Date and before the end of the Offer Period:

no person exercises or purports to exercise, or states an intention to exercise, any right or refuses to give any consent or approval under any provision of any agreement, arrangement, permit, licence or other instrument to which QOL or any of its subsidiaries is a party, or is otherwise entitled or subject, or by or to which QOL or any Subsidiary or any of its assets may be bound or be subject; and

no right under any provision of any agreement, arrangement, permit, licence or other instrument to which QOL or any of its subsidiaries is a party, or is otherwise entitled or subject, or by or to which QOL or any of its subsidiaries or any of its assets may be bound or be subject, becomes capable of being exercised, as a result of the proposed acquisition of QOL Shares by OUM or the change of any voting or management control over QOL or its subsidiaries (other than in connection with the termination of any hedging contract or finance facility as a result of making the Offer or the acquisition of QOL Shares pursuant to the Offer) and which results, or could reasonably be expected to result if exercised in:

any monies borrowed by, or indebtedness or liability (actual or contingent) of QOL or any of its subsidiaries being or becoming repayable or being capable of being declared repayable immediately or earlier than the repayment date stated in such agreement, arrangement, permit, licence or other instrument;

any such agreement, arrangement, permit, licence or other instrument being terminated or modified, being or becoming capable of being terminated or modified, or any action being taken

the interest of QOL or any of its subsidiaries in any firm, joint venture, trust, corporation, entity asset, property or estate (or any arrangements related to such interest) being terminated, modified, or becoming capable of being terminated or modified, or ceasing to exist or expiring (in whole or in part) or otherwise reverting to the holder of any reversionary interest; or

the business, assets, profits, financial or trading position of QOL or any of its

subsidiaries with any other person being adversely affected, in each case, to an extent which is material in the context of QOL and its subsidiaries taken as a whole.

- **Exercise or cancellation of outstanding share options**

All rights to acquire QOL Shares have been exercised or cancelled before the end of the Offer Period.

- **Non-existence of certain rights**

That no person has any right (whether subject to conditions or not) as a result of OUM acquiring QOL Shares to:

acquire, or require QOL or a material subsidiary of QOL to dispose of, or offer to dispose of, any material asset of QOL or a material subsidiary of QOL; or

terminate or vary or exercise any right under any material agreement with QOL or a material subsidiary of QOL.

- **No material adverse change**

That during the Condition Period, no change or event occurs, is discovered or becomes public which has or could reasonably be expected to have a Material Adverse Effect on the assets, liabilities, or financial position of the QOL Group taken as a whole.

- **No material defect in filings**

That OUM does not become aware, during the Condition Period, that any document filed by or on behalf of QOL, or by or on behalf of any other person in relation to QOL, with ASX or ASIC contains a statement which is incorrect or misleading in any material particular or from which there is a material omission.

## **Notes to Conditions of the Offer**

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- **Nature of conditions**

Each of the Defeating Conditions set out in each paragraph and subparagraph of Section 16 will:

constitute be construed as a separate, several and distinct condition;

be a condition subsequent; and

until the expiration of the Offer Period (or in the case of the condition referred to in paragraph 2 of section 16, until three business days after the end of the Offer Period) will be for the benefit of OUM alone and may be relied upon only by OUM.

- **Conditions apply to multiple events**

Where an event occurs that would mean at the time the event occurs a Defeating Condition to which the Offer or the contract resulting from an acceptance of the Offer is then subject would not be fulfilled, each Defeating Condition affected by that event becomes two separate Defeating Conditions on identical terms except that:

one of them relates solely to that event; and

the other specifically excludes that event,

and that OUM may declare the Offer free from either of those Conditions without declaring it free from the other and may do so at different times. This clause may apply any number of times to a particular Defeating Condition (including a Defeating Condition arising from a previous operation of this clause).

- **OUM may decide Offer is free from all or any of the conditions**

OUM may at any time at its sole discretion but in compliance with section 650F and section 630(1) of the Corporations Act declare the Offer free from any or all of the conditions set out in each paragraph and subparagraph of Schedule 1 by notice in writing to QOL as permitted under the Corporations Act.

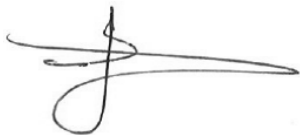
# Section 17

## Approval of the Bidder's Statement

This Bidder's Statement has been approved by a unanimous resolution passed by all the directors of Outback Metals Limited.

This Bidder's Statement is dated 13 March 2009.

**Signed** on behalf of Outback Metals Limited by Christopher T Jordinson, being the Chief Executive Officer and a Director of Outback Metals Limited who has been authorised to sign by a unanimous resolution passed by all the directors of Outback Metals Limited.

A handwritten signature in black ink, appearing to be 'C. T. Jordinson', written in a cursive style.

Christopher T Jordinson  
Chief Executive Officer and Executive Director  
**Outback Metals Limited**

# Section 18

## Glossary of defined terms

<b>GENERAL GLOSSARY</b>	
<b>AASB</b>	Means the Australian Accounting Standards Board.
<b>Acceptance Form</b>	Means the personalised acceptance and transfer form enclosed with this Bidder's Statement which forms part of the Offer.
<b>Ag</b>	Means silver
<b>Announcement Date</b>	Means 18 February 2009
<b>Approvals</b>	Includes approvals, licences, authorisations, authorities, consents, permissions, clearances, grants, confirmations, orders, exemptions, waivers or rulings.
<b>ASIC</b>	means the Australian Securities and Investments Commission.
<b>Associate</b>	Has the same meaning as given to that term for the purposes of Chapter 6 of the Corporations Act (as modified by ASIC from time to time).
<b>ASTC</b>	means ASX Settlement and Transfer Corporation Pty Ltd (ACN 008 504 532).
<b>ASTC Settlement Rules</b>	Means the rules of ASTC from time to time, except to the extent of any relief given by ASTC.
<b>ASX</b>	means ASX Limited (ACN 008 624 691).
<b>Au</b>	Means gold
<b>Bidder</b>	Means Outback Metals Limited ACN126 797 573
<b>Bidder's Statement</b>	Means this document, which is given by OUM in respect of the Offer pursuant of Part 6.5 of the Corporations Act and in compliance with the requirements of sections 636 and 637 of the Corporations Act.
<b>Board</b>	means the board of Directors unless the context indicates otherwise.
<b>Broker</b>	Means a person who is a share broker and a participant in CHESSE
<b>Business Day</b>	means a day other than a Saturday or Sunday on which banks are open for business in Sydney, New South Wales.
<b>CHESSE</b>	means ASX Clearing House Electronic Sub registry System.
<b>CHESSE Holding</b>	means a holding of shares on the CHESSE Subregister of QOL.
<b>Closing Date</b>	means the date on which the Offer closes.
<b>Company or OUM</b>	means Outback Metals Limited (ACN 126 797 573).
<b>Condition Period</b>	means the period beginning on the Announcement Date and ending at the end of the Offer Period.
<b>Constitution</b>	means the Constitution of the Company.
<b>Controlling</b>	means in relation to QOL shares in a CHESSE Holding, the Broker

<b>Participant</b>	or Non Broker Participant with whom the holder has a sponsorship agreement (as defined in the ASTC Settlement Rules}.
<b>Corporations Act</b>	means the Corporations Act 2001 of Australia.
<b>Cu</b>	means Copper.
<b>Defeating Conditions</b>	means the conditions set out in section 16 of this Bidder's Statement.
<b>Directors</b>	mean the directors of the Company from time to time and include any alternate directors.
<b>Dollars or \$</b>	means Australian dollars unless otherwise stated.
<b>EL</b>	means exploration licence for minerals issued pursuant to the Mining Act.
<b>ELA</b>	means an application for an EL made pursuant to the Mining Act.
<b>Glossary</b>	means this glossary.
<b>GST</b>	has the meaning given to it in the A New Tax System (Goods and Services Tax) Act 1999 and any regulations thereto or such other act or regulations of equivalent effect.
<b>ITAA97</b>	means Income Tax Assessment Act 1997.
<b>Ineligible Overseas Shareholder</b>	Means a person whose address (as shown in the register of members of QOL) is a place outside: (a) Australia and its external territories: or (b) New Zealand in each case to whom it is not lawful to offer or who may not lawfully receive OUM shares.
<b>JORC</b>	means the Australasian code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.
<b>Listing Rules</b>	means the official Listing Rules of ASX.
<b>Merged Group</b>	means OUM, QOL and their subsidiaries as described in section 11 of this Bidder's Statement.
<b>Mining Act</b>	means Mining Act 1980 (NT).
<b>Non Broker Participant</b>	has the meaning set out in the ASTC Market Rules.
<b>Offer</b>	means the offer as set out in section 3 of this Bidder's Statement and includes a reference to that Offer as varied in accordance with the Corporations Act.
<b>Offer Consideration</b>	means the consideration under the Offer determined in accordance with section 3.3 of this Bidder's Statement.
<b>Offer Period</b>	means the period commencing on the Opening Date and ending on the Closing Date.
<b>Official List</b>	means the Official List of ASX.

<b>Opening Date</b>	means the date on which the Offer opens.
<b>OUM</b>	means Outback Metals Limited.
<b>Pb</b>	means [lead].
<b>QOL</b>	means Queensland Ores Limited
<b>Register Date</b>	means 13 March 2009 being the date set by OUM under section 633(2) of the Corporations Act.
<b>Relevant Interest</b>	has the meaning given in sections 608 and 609 of the Corporations Act.
<b>Rights</b>	means all accretions and rights attaching to QOL shares on or after the Announcement Date (including all rights to receive dividends and other distributions declared or paid and to receive or subscribe for shares or options issued by QOL).
<b>Share Registrar</b>	means Registries Limited. (ACN 003 209 836)
<b>Takeover Bid</b>	means the Takeover Bid constituted by the Offer.
<b>Target</b>	means Queensland Ores Limited ACN 108 146 694.
<b>Target's Statement</b>	means the Target's Statement prepared pursuant to sections 633 and 638 of the Corporations Act.
<b>Zn</b>	means [zinc].



# Annexure A

## Material announcements relating to the Offer

26 February 2009	Relevant Interest in Queensland Ores Limited
18 February 2009	Intention to Make Takeover Bid for QOL
18 February 2009	Reinstatement to official quotation
18 February 2009	QOL: Outback Metals Intention to Make Takeover Bid
12 February 2009	Suspension from Official Quotation
10 February 2009	Trading Halt
15 December 2008	QOL: Short Term Funding Secured From Outback Metals Limited
15 December 2008	Short-Term Funding Secured to Queensland Ores Limited

# Annexure B

## OUM's past announcements to ASX

<b>August 2008</b>	
August 28	Updated Statements of Commitments
August 28	Updated Balance Sheet
August 28	Top 20 Shareholders
August 28	Statements re Admission
August 28	Shareholders Distribution Schedule
August 28	Pre Quotation Disclosure
August 28	Options Terms and Conditions
August 28	Option holders Distribution Schedule
August 28	Constitution
August 28	ASX Circular Commencement of Official Quotation
August 28	Appendix 1A ASX Listing Application and Agreement
August 28	Statement re JORC Code
August 27	OUM Admission to Official list
<b>September 2008</b>	
Sept 22	Revised Mining the Territory Conference Presentation
Sept 19	Drilling Program Commences at the Mt Wells
Sept 5	Outback Metal to list on ASX today with Market Cap of \$30.86M
Sept 4	Initial Director's Interest Notice
Sept 4	Finance Network News Pre Listing Interview
Sept 4	Change of Director's Interest Notice
<b>October 2008</b>	
Oct 31	Quarterly Cash Flow Report
Oct 31	Quarterly Activities Report
Oct 22	Revised Mining the Territory Conference Presentation
Oct 22	Mining the Territory Conference
Oct 22	Change to Financial Year End Date
<b>November 2008</b>	
Nov 28	Chairman Address to Shareholders
Nov 28	CEO Presentation to Annual General Meeting
Nov 3	Notice of Annual General Meeting-Proxy Form
<b>December 2008</b>	
Dec 15	QOL: Short-term funding secured from Outback Metals Limited
Dec 15	Short-term funding secured from Outback Metals Limited
Dec 2	Results of Meeting

<b>January 2009</b>	
Jan 30	Quarterly Activities Report
Jan 30	Quarterly Cash flow Report
Jan 29	Mt Wells Drilling Results
<b>February 2009</b>	
Feb 26	Relevant Interest in Queensland Ores Limited
Feb 18	Intention to Make Takeover Bid for QOL
Feb 18	QOL: Outback Metals Intention to Make Takeover Bid
Feb 18	Reinstatement to Official Quotation
Feb 12	Suspension from Official Quotation
Feb 10	Trading Halt
<b>March 2009</b>	
Mar 12	Half Yearly Report and Accounts

# Annexure C

## QOL's past announcements to ASX

<b>June 2008</b>	
June 2	App 3 Y Change of Director's Interest Notice – Barry Kelly
June 2	Lapse of Employee Options
June 3	Letter to Shareholders –EGM
June 13	QOL Share Purchase Plan
June 13	Appendix 3B Share Purchase Plan
June 17	Appendix 3B Issued 21 May 2008
June 19	Appendix 3 Y – Taff Greenwood
June 19	Progress at Wolfram Camp Mine – Presentation to EGM
June 19	Chairman's Address to EGM
June 19	Result of QOL EGM
June 26	App 3B & 708A Notice – 2 <sup>nd</sup> Tranche of Capital Raising
June 26	Change of Director's Interest Notice
June 27	1 <sup>st</sup> molybdenum produced at Wolfram Camp
<b>July 2008</b>	
July 3	Appendix 3B-Exercise_of_Options
July 14	Handover of Wolfram Camp Treatment Plant Completed
July 14	Share Purchase Plan Record Date Correction
July 24	QOL Appendix 3B & Sect 708 Notice SPP
July 31	Quarterly Activities Report 5B
July 31	Quarterly Activities Report
July 31	Appendix 3 Y – Roger Marshall
July 31	Appendix 3 Y – Taff Greenwood
July 31	Appendix 3 Y – Ken Dredge
July 31	Appendix 3 Y – Barry Kelly
<b>August 2008</b>	
August 15	QOL Plant Commissioning Update
<b>September 2008</b>	
Sept 16	1 <sup>st</sup> Shipment of Tungsten Concentrates from Wolfram Camp
Sept 26	Company Secretary Appointment/Resignation
Sept 30	Full Year Statutory Accounts
<b>October 2008</b>	
Oct 17	1 <sup>st</sup> Tungsten Concentrate Sales
Oct 20	Annual Report to Shareholders
Oct 20	Notice of Annual General Meeting/Proxy Form
Oct 23	Company Presentation
Oct 30	Presentation to Mining 2008 Resources Convention
Oct 30	Amendment-Presentation to Mining 2008 Resources

	Convention
Oct 31	Options Expiring 30 Nov 2008
Oct 31	Quarterly Activities and Cash flow Report
<b>November 2008</b>	
Nov 18	Operations at Wolfram Camp to be suspended
Nov 20	Chairman's Address to Shareholders
Nov 20	Managing Director's Address to Shareholders
Nov 20	Results of Meeting
<b>December 2008</b>	
Dec 15	Short Term Funding Secured From Outback Metals Limited
Dec 15	OUM: Short-Term Funding Secured to Queensland Ores Limited
<b>January 2009</b>	
Jan 27	Appendix 3B
Jan 30	December 2008 Quarterly Activities and Cash flow Reports
<b>February 2009</b>	
Feb 10	Trading Halt
Feb 12	Suspension from Official Quotation
Feb 18	QOL Outback Metals Intention to Make Takeover Bid
Feb 18	Reinstatement to official quotation
Feb 18	OUM: Intention to Make Takeover Bid
Feb 26	OUM: Relevant Interest in Queensland Ores Limited
<b>March 2009</b>	
Mar 11	Half Year Accounts

# ACCEPTANCE AND TRANSFER FORM

in respect of the Offer by Outback Metals Limited ("OUM") ACN 126 797 573 to acquire all of Your Shares in Queensland Ores Limited ACN 108 146 694 ("QOL").

**THIS IS AN IMPORTANT DOCUMENT  
IF YOU DO NOT UNDERSTAND IT PLEASE CONSULT YOUR FINANCIAL, LEGAL OR OTHER PROFESSIONAL  
ADVISER IMMEDIATELY**

## STEP 1 – Check your details below (see over)

Number of  
QOL Shares

HIN/SRN \*

(\*A new SRN may be allocated to you solely for the purpose of this offer)

Sub Register

Use this Acceptance Form to accept the Offer by OUM for your QOL Shares on the terms of the Bidder's Statement. You should read the Bidder's Statement which accompanies this Acceptance Form. Capitalised terms used in this Acceptance Form have the same meaning as in the Bidder's Statement unless otherwise defined. By accepting the Offer, you are accepting for ALL of your QOL Shares (even if different to the number of shares stated above). You cannot accept for only part of your QOL Shares.

If you need help completing this Acceptance Form or have any enquiring in relation to OUM's offer, please contact the OUM Offer Information Line on (02) 9420 7200 or + 61 9420 7200 (for callers from outside Australia).

## STEP 2 – For Issuer Sponsored Holdings only

If your QOL Shares are held on the Issuer Sponsored Sub-register (see "Sub-register" above) or if at the time of your acceptance you are entitled to be (but are not yet) registered as a holder of your QOL Shares, to accept the Offer you must **sign below** and **return this form**.

## STEP 3 – For CHESSE Holdings only

If your QOL Shares are held on the CHESSE Sub-register (see "Sub-register" above) to accept the Offer you can either:

- Contact your Controlling Participant – normally your broker – and instruct them to accept the Offer on your behalf **(If you do that and your Controlling Participant follows those instructions, you do not need to complete and return this Acceptance Form);**

OR

- If you want OUM to contact your Controlling Participant on your behalf, write their details here and sign and return this form. By doing so you authorise OUM to instruct your Controlling Participant to initiate acceptance of the Offer and to take all other steps necessary to cause acceptance of the Offer in accordance with the ASTC Settlement Rules.

## OFFER CONSIDERATION

1 fully paid OUM share for every 4.79 QOL shares

## BROKER DETAILS (CHESSE HOLDINGS ONLY)

Your Broker's  
Name:

Your Broker's  
Address:

Your Broker's  
Telephone

## STEP 4 – Sign as indicated below

I/We, the securityholder(s) named above, being the holder(s) of QOL Shares:

- (1) ACCEPT the Offer in respect of **ALL** of my/our QOL Shares;
- (2) AGREE TO TRANSFER my/our QOL Shares to OUM for the consideration specified in the Offer, and in accordance with the Offer Terms;
- (3) AUTHORISE, OUM, its officers and agents to correct any errors in or omissions from this Acceptance Form to make it an effective acceptance of the Offer and enable registration of the transfer of the QOL Shares to OUM; and
- (4) AGREE to be bound by the Offer Terms.

**Please refer overleaf for further instructions on how to complete this form**

If this form is signed under power of attorney, the attorney declares that they have no notice of the revocation of the power of attorney.

**Individual or Securityholder 1**

**Securityholder 2**

**Securityholder 3**

**Sole Director and Sole Company Secretary**

**Director**

**Director/Company Secretary (delete one)**

Please enter your telephone number where you may be contacted during business hours  
Telephone number: \_\_\_\_\_

Dated \_\_\_/\_\_\_/2009

**Your acceptance must be received BEFORE the Offer Period ends. If the Acceptance Form is sent by mail, you may use the enclosed reply paid envelope. Your acceptance of the Offer must be received before 7pm (AEST) on 17<sup>th</sup> April, 2009 (unless the Offer is withdrawn or extended). How to complete this Acceptance Form and ACCEPT the Offer**

**1. Your Name & Address details**

Your pre-printed name and address is as it appears on the share register of QOL. If you are Issuer Sponsored and this information is incorrect, please make the correction on this form and initial the correction. Security holders sponsored by a broker on the CHES Sub-register should advise their broker of any changes.

**2. Issuer Sponsored Holdings**

(as indicated by "Issuer Sponsored" appearing next to "Sub-register" on this Acceptance Form)

If your QOL Shares are in an Issuer Sponsored Holding, or if you are not yet registered as the holder of your QOL Shares, then to accept the Offer, **you must fill out this Acceptance Form overleaf and return it to one of the addresses shown below.**

**3. CHES Holdings**

(as indicated by "CHES" appearing next to "Sub-register" on this Acceptance Form)

If your QOL Shares are in a CHES Holding, you do not need to complete and return this Acceptance Form to accept the Offer. You can contact your Controlling Participant, normally your broker, and instruct them to accept the Offer on your behalf. If you decide to use this Acceptance Form, follow the instructions below.

It is the responsibility of the eligible security holder to allow sufficient time for their Controlling Participant to initiate acceptance on their behalf in accordance with ASTC Settlement Rule 14.14. You must ensure that this Acceptance Form is received in sufficient time before the end of the Offer Period to enable us to instruct your Controlling Participant to effect acceptance on CHES during business hours.

If your holding is CHES sponsored and you send your Acceptance Form to Registries Limited, they will send the relevant acceptance message to CHES for forwarding to your Controlling Participant for acknowledgement. OUM and Registries Limited will not be responsible for any delays incurred by this process.

If you sign and return this Acceptance Form to one of the below addresses either in respect of an Issuer Sponsored Holding or so that contact may be made with your Controlling Participant on your behalf, you warrant to OUM (and authorise OUM to warrant on your behalf) that you have full legal and beneficial ownership of the QOL Shares and that OUM will acquire them free from all mortgages, charges, liens, encumbrances (whether legal or equitable), restrictions on transfer and free from any third party rights.

**4. Signature(s)**

You must sign the form as follows in the space provided overleaf:

**Joint Holding:**

Where the security holding is in more than one name all of the QOL shareholders must sign.

**Deceased Estate:**

All executors must sign and, if not already noted by the QOL registry, attach a certified copy of probate, letters of administration or grant accompanied (where required by law for the purpose of the transfer) by a certificate of payment of death or succession duties and (if necessary) a statement in terms of section 1071B(9)(b)(iii) of the Corporations Act.

**Power of Attorney:**

To sign under power of attorney, you must attach a certified copy of the power of attorney to this form when you return it. By signing this form under a power of attorney, you will have declared that you have no notice of revocation of the power and are able to further delegate power under it under the Bidder's Statement.

**Companies:**

This form must be signed by either 2 directors or a director and a company secretary. Alternatively, where the company has a sole director and, pursuant to the Corporations Act, there is no company secretary, or where the sole director is also the sole company secretary, that director may sign alone. Delete titles as applicable.

**Additional Notes**

1. **Sold all your QOL Shares** – if you have sold all of your QOL Shares, please send this form and your Bidder's Statement to the stockbroker who acted on your behalf.
2. **Recently bought or sold QOL Shares** – if you have recently bought or sold any QOL Shares, your holding may differ from that shown on the front of this form. If so, please alter the number of QOL Shares shown as your registered holding on the front of this form to the number of QOL Shares you now hold (including any QOL Shares of which you are entitled to become registered as holder), initial the alteration and indicate the name of the stockbroker who acted for you.

Information you supply on this Acceptance Form will be used by OUM and Registries Limited for the primary purpose of processing your acceptance of the Offer and to provide you with the consideration payable under the Offer. This information may be disclosed to OUM's professional advisers, securities brokers, printing and mailing providers and other third parties in connection with the Offer. If you do not supply this information, your acceptance may not be processed and you may not receive the consideration payable. You may have rights to access the personal information you have supplied. Please see Registries Limited's privacy policy on its website [www.registriesltd.com.au](http://www.registriesltd.com.au)

**This Acceptance Form must be received at the relevant address shown below before the end of the Offer Period.**

**Postal address**

Registries Limited  
Outback Metals Limited Offer  
GPO BOX 3993  
SYDNEY NSW 2001

**Delivery in person**

Registries Limited  
Outback Metals Limited Offer  
Level 7, 207 Kent Street  
SYDNEY NSW 2000

**If the Acceptance Form is sent by mail, you may also use the enclosed reply paid envelope.**

**Neither OUM nor Registries Limited takes any responsibility if you lodge this Acceptance Form at any other address or by any other means.**