



8 July 2011

Queensland Mining Corporation Limited (QMN) ASX Announcement

The company confirms that it has finalized the \$3 million unsecured loan agreement with Tulla Resources Group Pty Limited, a shareholder of QMN and the monies have been advanced to the company. The loan will provide funds for working capital, towards the drilling program and the definitive feasibility study upgrade of the White Range project.

The summary terms of the loan are as follows:

- \$3 million unsecured repayable by 31 October 2012
- interest at 10% pa payable quarterly in arrears.
- subject to shareholder approval to acquire 6,000,000 unlisted Options at 10 cents each (subject to the ASX Listing Rules) by 30 November 2011 to be exercised within a period of 3 years
- early repayment by cash or shares (calculated at 10 preceding days VWAP) without penalty.

The company is currently negotiating in respect to third party processing deals with a view to providing a positive cash flow.

Yours Sincerely

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

Howard V. Renshaw
Managing Director
Queensland Mining Corporation Limited