

## ASX Release

19 September 2011

### Drilling commenced at 'Just There' IOCG prospect in the White Range Project area

- **RC drilling has commenced at the 'Just There' IOCG prospect;**
- **Initial 10 RC holes for 2,000 metres, planned to test strike and down dip potential of 3 zones for oxide and sulphide mineralisation;**
- **Following-up historical pits and mineralised outcrops ( $\geq 14\%$  Cu, 4g/t Au), geophysical and soil geochemical anomalies;**
- **Targeting open pitable resources.**

A reverse circulation (RC) drilling program has commenced at Queensland Mining Corporation's 'Just There' iron-oxide copper-gold (IOCG) prospect (on EPM17602 which is a joint venture arrangement with Orion Gold NL and Findex Pty Ltd). 'Just There' is located within the Company's flagship White Range project, approximately 50 kilometres south-southwest of Cloncurry in northwest Queensland. (Figure 1)

"This first pass program of ten RC holes for 2,000 metres of drilling will test three separate targets. The first is a 1.6 kilometre long SAM (sub-audio magnetic) conductivity anomaly, which has historic pits containing ore-grade copper and gold mineralisation in the northern part. The second target is a flexure/dilational jog in the SAM conductivity anomaly, which is co-incident with surface mineralisation. The third target, is a zone 1.7 kilometre long consisting of soil copper anomalies, a SAM conductivity anomaly with associated mineralised pits and mineralised outcrops," said Howard Renshaw, Managing Director of QMC.

"We are very enthusiastic about the drilling at 'Just There'. The coincidence of SAM geophysical anomalies and elevated soil copper geochemistry with mineralised occurrences, highlights the promise for copper-gold mineralisation and its potential to contribute open-pitable resources to a stand-alone operation or for feed to our White Range Project," he added.

## Geology

The 'Just There' prospect is located within the marginal zone of the Mitakoodi Quartzite Formation. It is adjacent to the Overhang Jaspilite Formation that hosts another QMC copper-gold prospect about 6 kilometres to the northeast at Black Fort, in which up to 96m@ 0.55% Cu was reported from a 5 hole drill program completed in late 2010.

The Mitakoodi Quartzite Formation is a package of fine grained lensoidal meta-sediments and mafic meta-volcanics/intrusives, dominated by quartzite ridges. The presence of breccia outcrops indicates structural preparation (e.g. dilational jogs) conducive to mineralisation as evidenced by the occurrence of copper ± gold in hematite (specular)/magnetite breccia in historic pits and outcrops and in sulphide bearing breccia mullock from the historic Just Luck mine shafts (Fig. 3 & Fig. 4). The style of mineralization is temporarily interpreted to be IOCG (iron oxide copper-gold), the primary type of copper deposits being explored and mined in the Cloncurry region.

The coincidence of SAM geophysical anomalies and elevated soil copper geochemistry with mineralised occurrences translates to the presence of potential copper-gold mineralization in the prospect area (Fig. 5). There are indications of nominally E-W faults and a major ENE fault/lineament. The former is associated with hematite/magnetite breccia or massive hematite-magnetite cross-cutting the stratigraphy while the latter is coincident with soil geochemical and SAM conductivity anomalies transgressing the stratigraphy.

## Current Drill Program

This first pass drill program (Fig. 2), consisting of 10 RC holes for 2, 000 metres is aimed at testing three separate targets, the Western, the Eastern and the Northeastern zones (see Fig. 5). The holes will be drilled mainly in wide spaced two holes fences to a depth of 200 metres each and inclined at -55° or -65° across the targets.

The Western target is a 1.6 kilometre long N-S trending SAM conductivity anomaly with an off-set magnetic anomaly, plus ore-grade copper and gold values in the historic pits to the north. The southern two holes target a flexure/dilational jog in the SAM conductivity anomaly, while surface mineralisation is targeted in the northern area. There are three, two-hole fences planned to test this target zone.

The Eastern zone is 1.7 kilometre long, trending ENE, comprising variably coincident 300+ppm soil copper anomalies and a SAM conductivity anomaly with associated mineralised pits and outcrops, some of which are breccias. Three holes are planned to test this target zone.

The North-eastern zone, located in the northeast corner of the prospect, trends NE, comprises coincident 300+ppm soil copper and SAM conductivity anomalies over a kilometre length. One hole is proposed to drill into this target for initial testing.

## Background to 'Just There' Prospect

'Just There' is one of the seven copper-gold prospects (Black Fort, Black Fort South, Just There, South BFS, Creek Martin, Murphy's and Lysander) identified within EPM17602 which adjoins QMC's White Range project immediately to the west.

## QMC - Orion Gold NL – Findex Pty Ltd joint venture arrangements

The tenement, being 78 sub-blocks covering a total area of approximately 250 km<sup>2</sup>, is a joint venture between QMC, Orion Gold NL and Findex Pty Ltd. QMC owns a 51% proprietary interest in the tenement with the right to earn-in to a 70% proprietary ownership. QMC considers that it has met the expenditure requirements for a 70% earn-in and is currently in discussions with Orion Gold NL to substantiate its claim.

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*The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Guojian Xu, a Member of Australasian Institute of Mining and Metallurgy and a Fellow of the Society of Economic Geologists. Dr Guojian Xu is a consultant to Queensland Mining Corporation Limited through Redrock Exploration Services Pty Ltd. Dr Xu has sufficient experience deemed relevant to the style of mineralisation and type of deposit under consideration and to the activity, which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting Results, Mineral Resources and Ore Reserves. Dr Xu consents to the inclusion in the report of the matters based on his information in the form and context in which it appears*

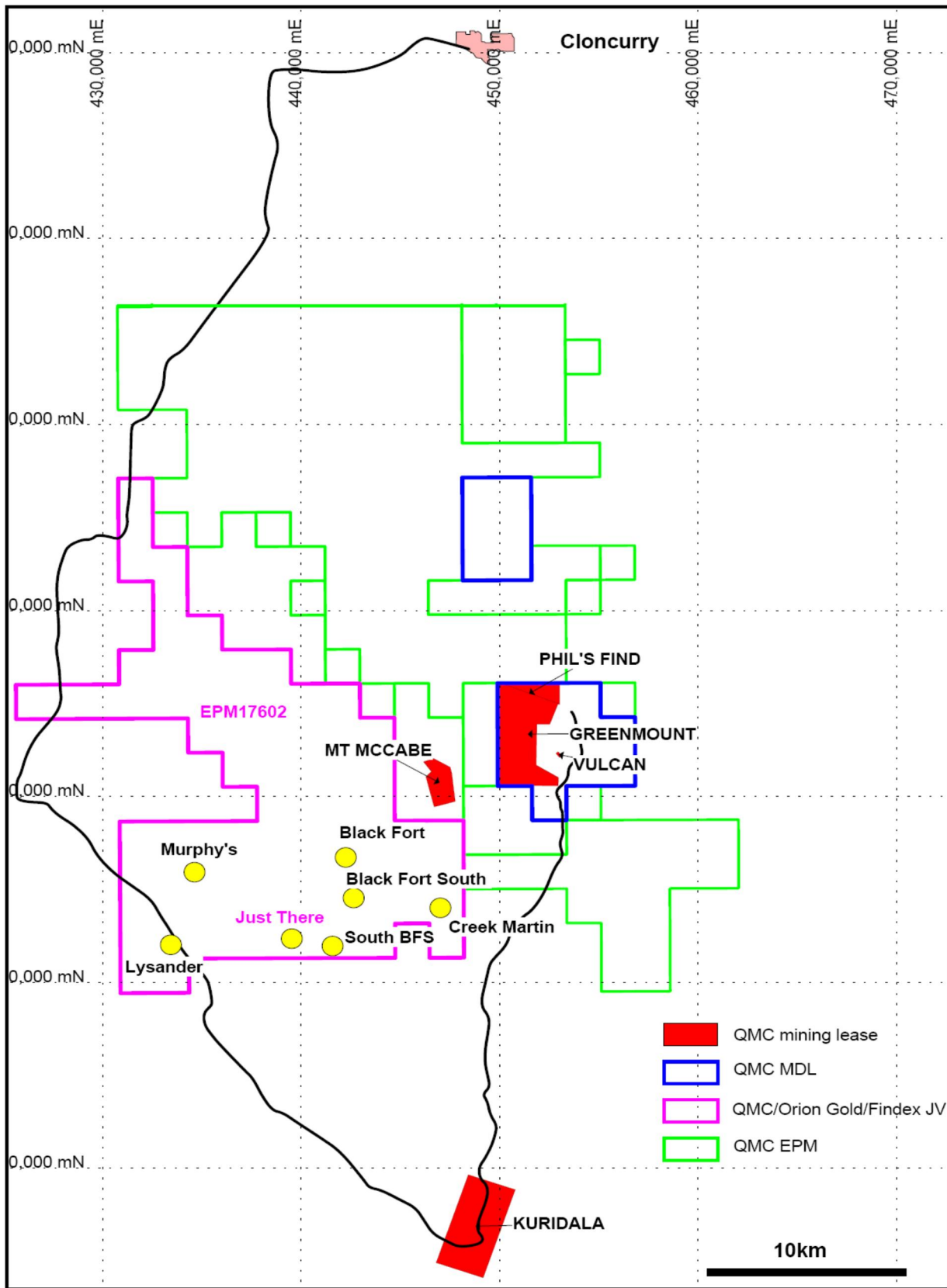


Fig.1 Regional location of the 'Just There' copper-gold prospect



*Fig. 2 RC drill rig operating in 'Just There' copper-gold prospect*



*Fig. 3 Outcrop of Malachite-hematite-quartz breccia in the southern part of the Western Zone*



*Fig. 4 'Just Luck' open pit showing exposure of the various copper minerals –including malachite and the iron oxide zone. Sulphide mineralisation in the form of chalcopyrite and pyrite veins and disseminations evident from the mullock around (looking northeast)*

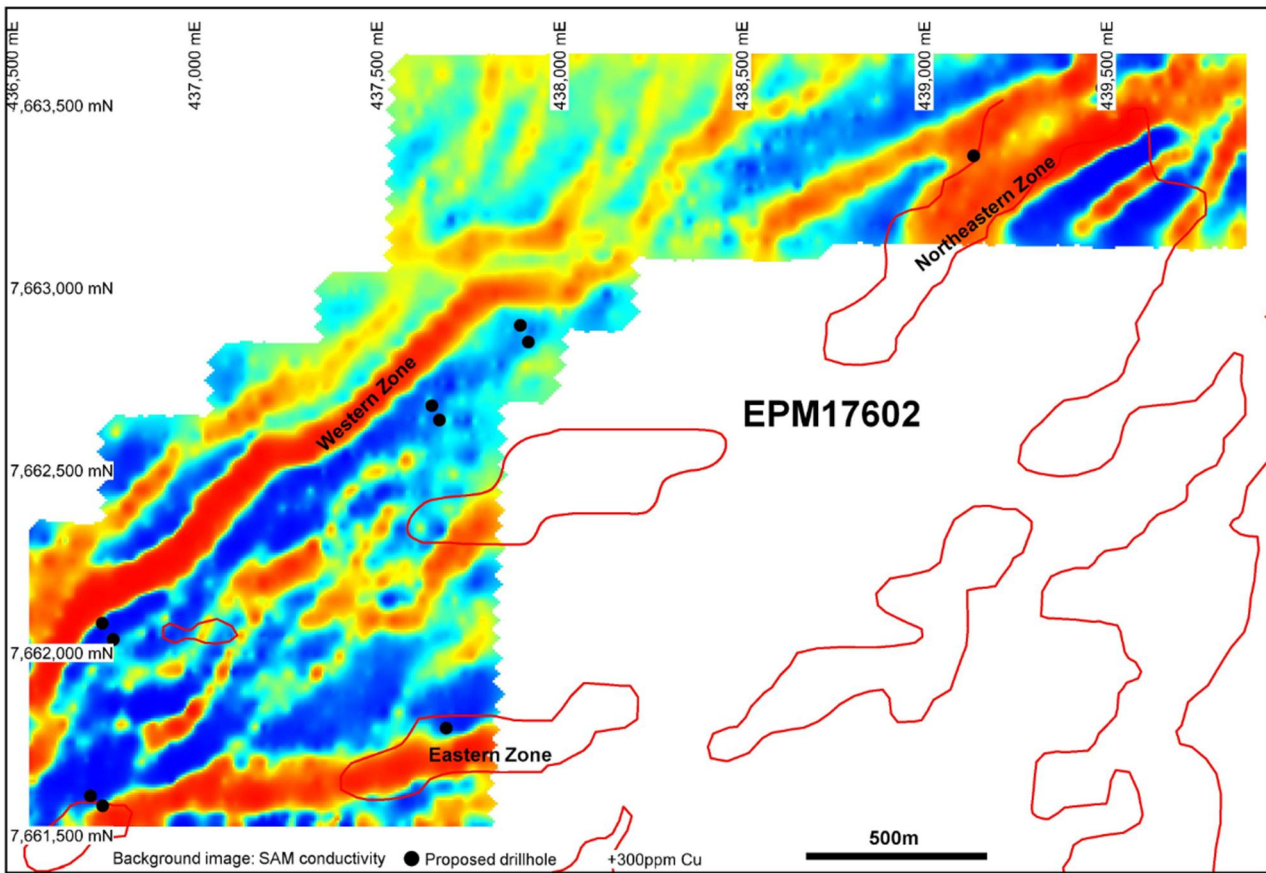


Fig. 5 Proposed drillholes over SAM conductivity and copper-in-soil anomalies

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