

ASX Release

22 March 2011

Gilded Rose Gold Resource

Maiden JORC Resource Estimate 19,400 ozs gold

Resource Estimate

QMC is pleased to announce that it has completed an initial resource estimate for its Gilded Rose Project, which is situated approximately 15km east-southeast of Cloncurry, northwest Queensland (Fig. 1). QMC's assets in the Gilded Rose area consist of four granted mining leases (ML2709, ML2713, ML2718 and ML2719) totalling 66.4 hectares, the surrounding EPM 14475 (Exploration Permit for Minerals) covering an area of 35km² and a CIL gold processing plant. (See Figure 5).

A total JORC-compliant resource of **143,500t at 4.2g/t Au** using a cut-off grade of 0.5g/t Au has been estimated (Table 1) containing some 19,400 ounces of gold. This includes 22,700t @ 5.11g/t Au for 3,750 ounces of gold in the indicated category and 120,800t @ 4g/t Au for 15,650 ounces of gold in the inferred category.

Indicated + Inferred Resources Above 0.5 g/t Au Cut-off			
Confidence	Tonnes	Au g/t	Au oz
Indicated	22,700	5.11	3,750
Inferred	120,800	4.0	15,650
Total	143,500	4.2	19,400
<i>Figures rounded</i>			

Table 1: Gilded Rose Mineral Resources as at 18 March 2011.

"QMC is reviewing various process options to determine the most appropriate development scenario for this Project. The total JORC compliant resources for QMC in this area stand at approximately 108,000 ounces of gold," said Howard Renshaw, MD of QMC. "We feel that there is strong potential for increasing the size and tenor of the gold resources in the area with further exploration and drilling activity. The recently announced resources at Mt Freda together with these resources at Gilded Rose give me confidence that QMC can be a gold producer within the near term," he added.

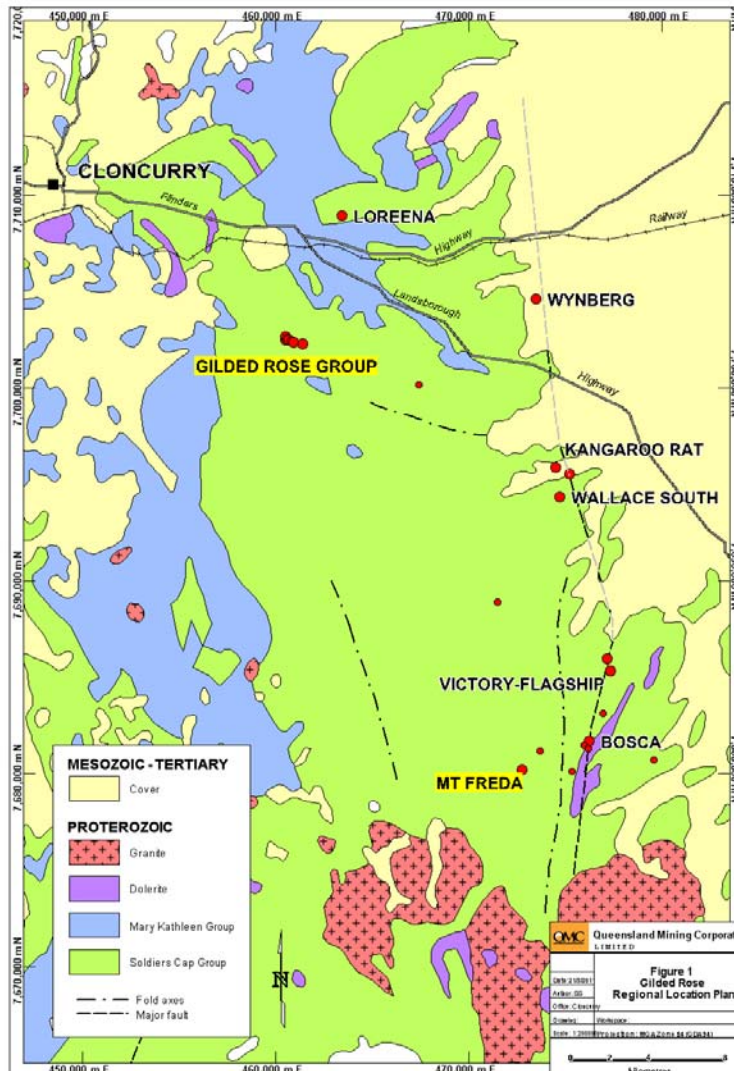


Figure 1 Regional location and gold occurrences

Future Program

QMC plans further drilling and project assessments with the aim of:

- Upgrading the resource classification in the portion of the resource which may be amenable to open pit mining;
- More closely defining the extent of mineralisation in the Gilded Rose prospect along strike and down dip;
- Outlining additional resources in other prospects to the east of the Gilded Rose open pit, which include historically drilled and partially mined Gilt Edge and Silver Lining deposits;
- Defining the metallurgical parameters for gold recovery; and
- Targeting and drilling other priority areas within the surrounding 35km² EPM.

Additional geochemical and geophysical surveys have been planned and due to commence in the current field season. Further drilling may extend the size and grade of this initial resource estimate.

Geological Setting – Gilded Rose

The Gilded Rose gold deposit is contained within the Mt Norma Quartzite member of the Proterozoic Soldiers Cap Group, which consists of quartzite, schist, phyllite and metamorphosed greywacke, amphibolite and metadolerite. This unit is overlain by the more mafic rocks of the Toole Creek Volcanics which hosts QMC's Mt Freda gold (1.6Mt @ 1.7g/t Au for 89,000 Oz Au) some 25km to the southeast. In addition, there are several other gold workings present within about 1 km distance from the Gilded Rose open pit, which mainly includes the Gilt Edge and the Silver Lining workings, where historic mining and exploration had taken place (Figure. 2).

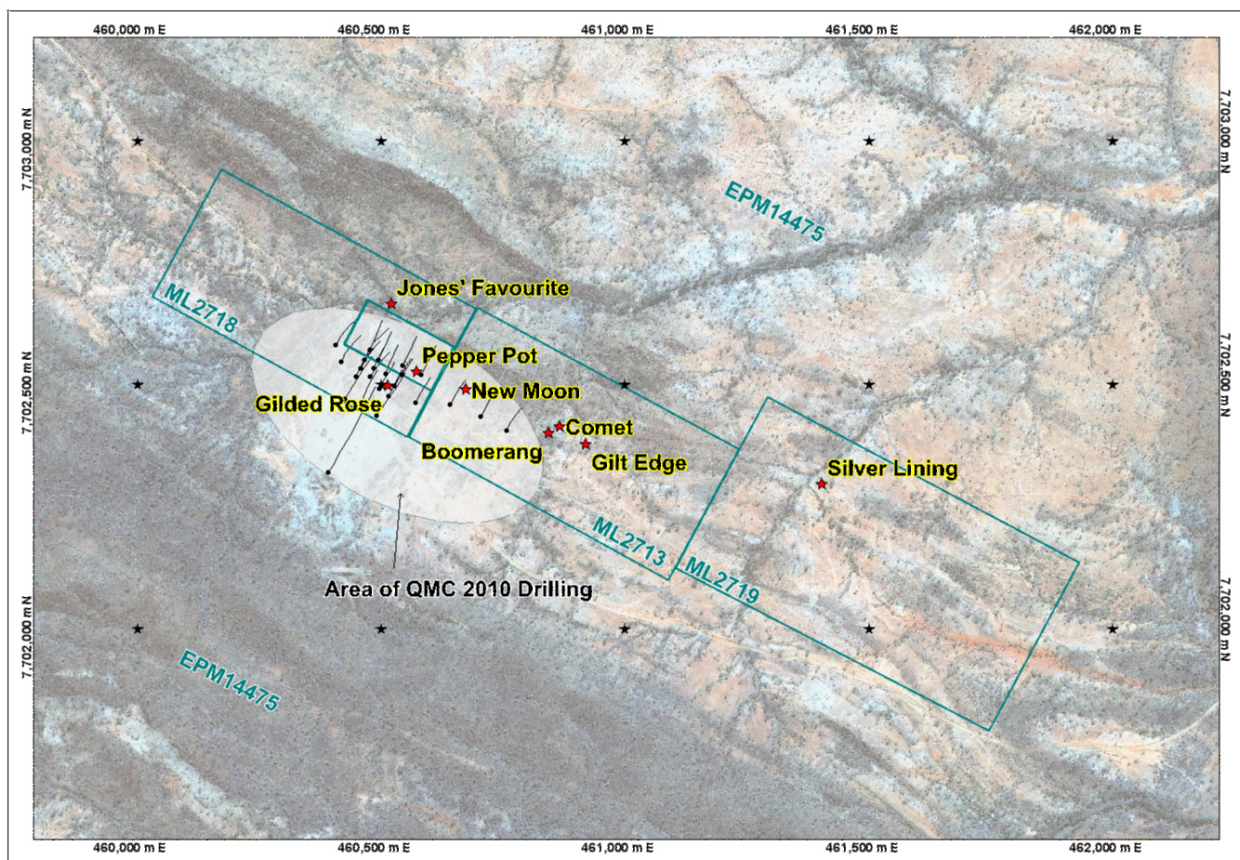


Figure 2. Plan view of the Gilded Rose gold project

The gold mineralization at Gilded Rose occurs as sheeted quartz veins and reefs within an interbedded sequence of schist, phyllite and amphibolite rocks, which can be traced over 1km along strike. The quartz reefs and veins extend WNW-ESE and dip moderately towards the south (Figure 3). Individual veins are usually narrow with an average width of 0.3m but can vary from veinlets to massive veins up to 2 m wide. They often occur over a width of 0.5 to 10m and individual veins have short strike lengths of less than 25m within a system with an overall strike length of about 800m.

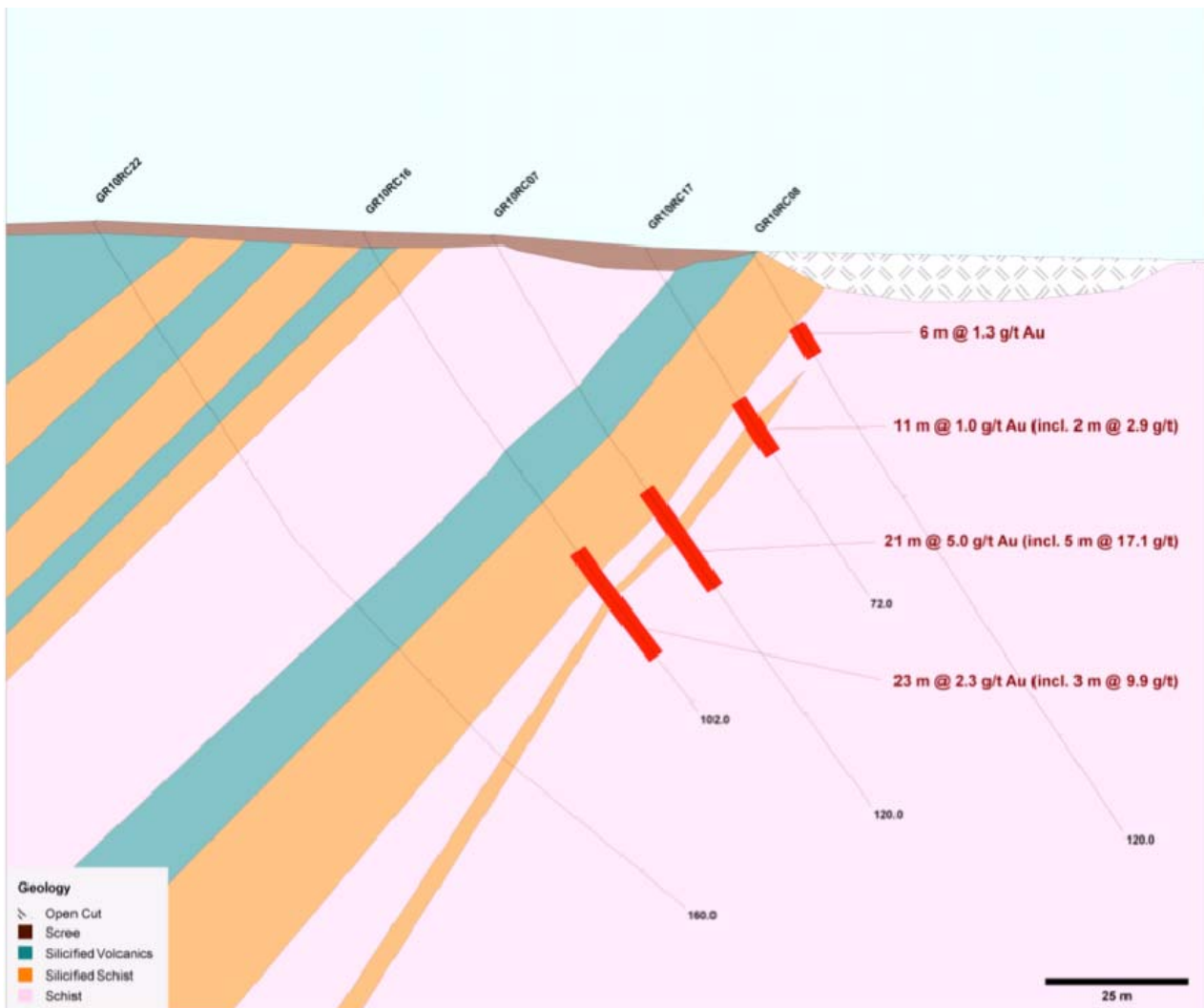


Figure 3. North-South drill section showing the moderately south dipping gold reefs

The recent RC drill program undertaken by QMC in 2010 (See Figure 5) indicates the gold is controlled primarily by a near E-W trending shear zone developed along the contact between the amphibolite unit (marker bed) and underlying phyllite and schist sequence. This shear zone has been extensively silicified and with patches of pyrite disseminations. The drilling has confirmed a down dip extension of 300m of the host structure with a width of up to 20m. Visual observations of drill chips and review of assay results suggest better grades are normally associated with higher contents of fine-grained sulphides (dominantly pyrite, arsenopyrite and chalcopyrite) within pervasive silicification. Discrete narrow quartz veins are in conformity of the E-W shear zone but high-grade pods appear to be controlled by the intersection with NNE trending cross faults.

Historic and QMC Drilling Program

Gilded Rose has been worked intermittently since 1870, with numerous old pits and shafts. There is evidence of small scale mining that continued through until 1940, although no records of the depth of these workings is available. Further exploration work continued in the 1980s until Diversified Mineral Resources NL (DMR) purchased the project in 1987. In joint venture with Central Victoria Gold Mines, DMR reportedly drilled 32 RC holes at Gilded Rose and another 20 RC and diamond holes at nearby prospects. Of the 32 holes at Gilded Rose, 25 were available and suitable for this resource estimate. However, assay certificates and copies of original logs are no longer available for these holes and there is no record of sampling procedures or how the drillhole locations, dips and azimuths were obtained.

QMC drilled 24 holes over two stages in 2010 (Table 2), the drilling results were previously reported to the ASX. All information relating to drillhole collar location, downhole survey, assays, geologic logs and QA/QC aspects of the program is stored in the QMC database.

Company	Date	Prefix	Type	No. Holes	Metres
DMR	1987	GRC	RC	16	726
DMR	1987	GRD	DD	9	1,128
QMC	May-June 2010	GR10RC	RC	21	2,401
QMC	Oct 2010	GR10RC	RC	3	620
				49	4,875

Table 2: Gilded Rose Drillhole Database.

Resource Estimation Methodologies

While the geological confidence is moderate and Gilded Rose is a narrow, discontinuous and nuggetty deposit; the drillhole spacing of approximately 20m, the Ordinary Kriging estimation method, combined with the search parameters used in the first pass (estimating approximately 15% of the domain blocks), the foregoing parameters are considered sufficient for an Indicated Resource estimate.

The second and third passes have been categorised as Inferred Resources. The second pass estimated approximately 83% of the domain block, with the third pass accounting for the remaining 2% of blocks. Tables 3 list the results of the combined Indicated + Inferred estimations respectively at a range of cut-off grades.

The estimate at 0.5 g/t Au cut-off grade is designed to provide a basis for determining open pit viability at a reasonably high throughput rate, which will be appropriate should Gilded Rose be developed in conjunction with other nearby sources of mill feed e.g. Mt Freda.

Indicated + Inferred Resources			
Cut-off (Au g/t)	Tonnes	Au g/t	Au oz
0.5	143,500	4.2	19,400
1.0	143,500	4.2	19,400
1.5	137,600	4.3	19,100
2.0	124,400	4.6	18,400

Figures rounded

Table 3: Gilded Rose Mineral Resources tonnage-grade relationship 18 March 2011.



A view of the resource model is shown in Figure 4.

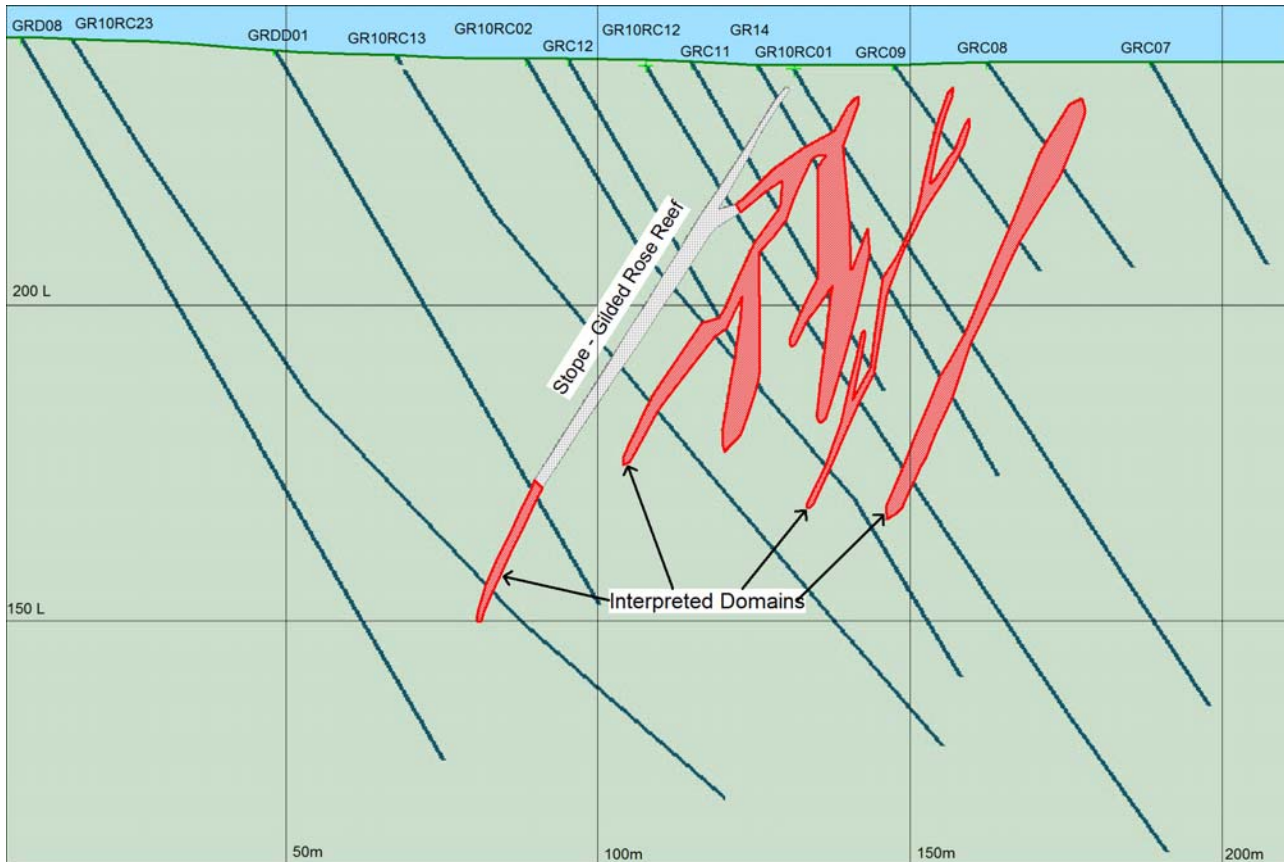


Figure 4: Cross section (looking North-West) through Gilded Rose showing (+0.5g/t cut-off) resource block estimates.

Information on Mineral Resource Estimation

QMC’s drillhole collar locations were surveyed using a differential GPS at sub-metre accuracy. QMC conducted 76 downhole surveys for the 2010 drilling program

Geology logs were not available for DMR drillholes.

No top cut was applied to the assigned grades.

The mineral resource models were undertaken by block modelling within a wireframe snapped to the drillholes. The wireframe was generated using a nominal 0.1g/t Au threshold.

Block grades were estimated using ordinary kriging after assessing variography.

No Bulk Density data is available from Gilded Rose so densities of 2.7 for sulphide, 2.6 for transition and 2.5 for oxide have been assumed.



Figure 5: 2010 RC drilling at Gilded Rose CIL plant site.

For further details please contact:

Howard V. Renshaw (Managing Director)

Tel: (+61 2) 9251 6730

Email: admin@qmcl.com.au

David Sasson
(Northfield Communications - FIRSt)

Tel: (+61) 0411 468 966

or visit our Website at: www.qmcl.com.au

Competent Persons Statement

Information in this report relates to Exploration Results and Mineral Resource estimates based on information compiled by Dr Guojian Xu and Mr James McIlwraith. Dr Xu is a Member of the Australasian Institute of Mining and Metallurgy and a Fellow of the Society of Economic Geologists. He is a consultant to Queensland Mining Corporation Limited through Redrock Exploration Services Pty Ltd. Mr McIlwraith is a Member of the Australasian Institute of Mining and Metallurgy and is a consultant to Queensland Mining Corporation Limited through JM Geological Consulting Pty Ltd. With respect to their respective contributions, these persons qualify as Competent Persons as defined in 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Xu and Mr McIlwraith consent to the inclusion in this report of the matters based on the respective information provided by each of them, in the form and context in which it appears.