



ASX Release

13 December 2012

Young Australian Drilling Confirms Potential to Extend Resource

Highlights

- Results of drilling at Young Australian confirm the potential for additional copper mineralisation within the recently acquired exploration area between the two existing resources.
- Significant new results from the wide spaced RC drilling at Young Australian included.
 - YA12RC04 8m at 1.08% Cu from 72m
 7m at 1.52% Cu from 86m
 9m at 2.02% Cu from 105m
 - YA12RC08 13m at 1.20% Cu from 66m
 - YA12RC09 11m at 1.09% Cu from 48m
 - YA12RC16 11m at 1.09% Cu from 53m
 - YA12RC17 6m at 1.89% Cu from 26m
 - YA12RC18 16m at 1.08% Cu from 63m
- The drilling shows continuity of the main mineralising structure for over 600m of strike length and further infill drilling will be conducted in early 2013 to delineate extensions to the Young Australian resource.

**Young Australian Prospect****MLs 7511, 7512, 90099 and 90084 QMN 100%****EPM 18912 QMN exclusive 5 year option (6 blocks)**

Queensland Mining Corporation Limited (QMC) is pleased to announce the results for the recently completed RC drilling program at the Young Australian Prospect, one of the principal resources of the Company's White Range Copper and Gold Project (Figure 1). QMC recently acquired an option from Ivanhoe Australia Limited to explore 6 blocks of EPM 18912 which covers the area between, and surrounding the QMC owned mining leases (MLs), which currently contain resources of 2.1Mt at 1.0% Cu (Table 2). The Company completed an 18 hole drilling program totalling 2494 metres to test the gap between the MLs and the potential extensions along strike to the north east from the current resources.

Results of the drilling clearly show the mineralised trend continues through the gap between the current resources, Young Australian to the south and East Drift to the north. A total of seven holes YA12RC-01, 17, 15, 16, 04, 18 and 03 were drilled between the two MLs (Figure 2) and all of the holes, except YA12RC-03, intersected significant widths of copper mineralisation including **9m at 2.02%, 7m at 1.52%, 13m at 1.20% and 6m at 1.89%** (Results are shown in Table 1). The drilling in this area is currently too widely spaced to identify high grade trends or to be incorporated into the current resource estimate, but the 2013 program will aim to infill the drilling. The results have shown the Young Australian mineralised system continues for over 600 metres of strike length. Figure 5 shows a long section of drill results between and including the QMC mining leases while Figures 3 and 4 show cross sections through the mineralised zone on sections 1050N and 1100N. The cross sections show that the copper mineralisation is mainly hosted within altered graphitic shales and is similar to other important deposits in this region including Greenmount, Kuridala and the Merlin trend.

Three holes, YA12RC-08, 09 and 11 were drilled to test immediate extensions on the north and western sides of the East Drift resource. Significant copper results included **11m at 1.09% (including 6m at 1.52%), and 13m at 1.20%**. These holes were successful in identifying potential extensions immediately surrounding this northern resource.

Four wide spaced holes were also drilled over 600m of potential additional strike extending northeast from the QMC MLs (Figure 2). Two of these holes YA12RC10 and 13 intersected copper grades over 0.5% but further exploration is required to determine if there is any potential for additional resources to the north.

To date, no additional drilling has been completed to test potential strike extensions to the south west of the QMC mining leases. Further work will be conducted in 2013 to identify potential strike extensions in this area.

Four holes, YA12RC-02, 05, 06 and 07, were drilled to test the potential depth extensions below the main Young Australian resource. While three holes intersected broad zones of mineralisation with copper values over 0.5% Hole YA12RC-07 at the northern end of the pit intersected significant mineralisation over 1.0% Cu. These results are suggestive that the high grade core of the main

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resource either has a northerly plunge or possibly is flat lying. Additional work to identify the structural controls on mineralisation will continue into 2013.

Tony Martin, the Company's CEO said "These new results continue to enhance the prospectivity of Young Australian, which is an important addition to our White Range Project as it was not included in the original 2005 Matrix Feasibility Study. Historical production at Young Australian indicates that it has excellent leaching characteristics with the current resources extending to surface immediately adjacent to the historical open pit mine. We are confident that further drilling at Young Australian will continue to expand the resource. Overall, it is particularly pleasing that the recent drilling by QMC at all the White Range prospects have continued to produce significant results which should ultimately enhance the project's overall resource base."

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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 Anthony Martin, a Member of Australasian Institute of Mining and Metallurgy. Mr Martin is a full time consultant to Queensland Mining Corporation Limited through TRM Consultants Pty Ltd. Mr Martin 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. Mr Martin consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



About Queensland Mining Corporation Limited

Queensland Mining Corporation Limited is an ASX listed (Code QMN) mineral exploration company which is focussed on the development of it's 100% owned White Range Copper and Gold Project, which is located 50km south of Cloncurry in the Mt Isa Fold Belt in Queensland. The Company is currently undergoing a number of management and board changes in line with its renewed focus on White Range.

The White Range Project currently has three principle resources Greenmount, Kuridala and Young Australian which contain 180,000t of Cu and 165,000oz of Au and a number of satellite deposits which contain a further 97,000t of Cu and 38,000oz of Au. The project (excluding the Young Australian resource) was the subject of a Feasibility Study in 2005 by Matrix Metals Limited, which at the prevailing copper price of <US\$1.50/lb, concluded the project was marginally positive.

QMC has identified a number of areas in the 2005 Feasibility Study where it can potentially improve the economics of the project.

- The significant increase in metal prices.
- Potential to increase the resource base.
- Potential to improve the mineable copper grades.
- Potential to include gold and possibly cobalt credits to improve the economics.
- Potential to use processing routes other than just heap leaching.

QMC has a three stage strategy to redo the Feasibility Study by early 2014.

- 1. Jan-Jun 2013** – Complete resource development and expansion drilling and conduct initial metallurgical test work to assess alternative processing routes.
- 2. Jul-Dec 2013** - Complete detailed systematic metallurgical test work and mining studies to identify the optimal mining and processing routes.
- 3. Sept 2013- Mar 2014** – Complete Feasibility Study including engineering studies and economic evaluation.

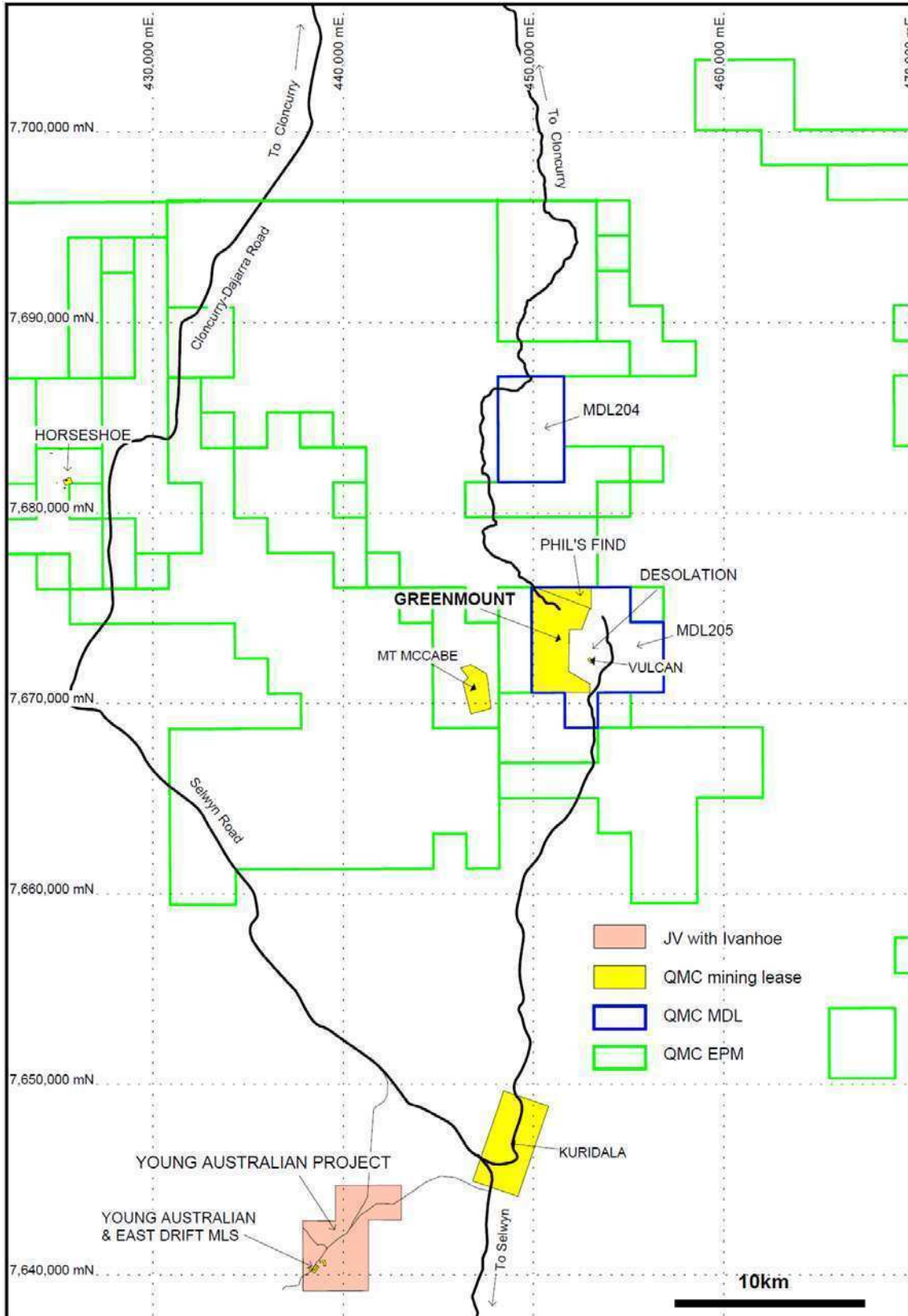


Figure 1: Regional location of the Young Australian copper deposit

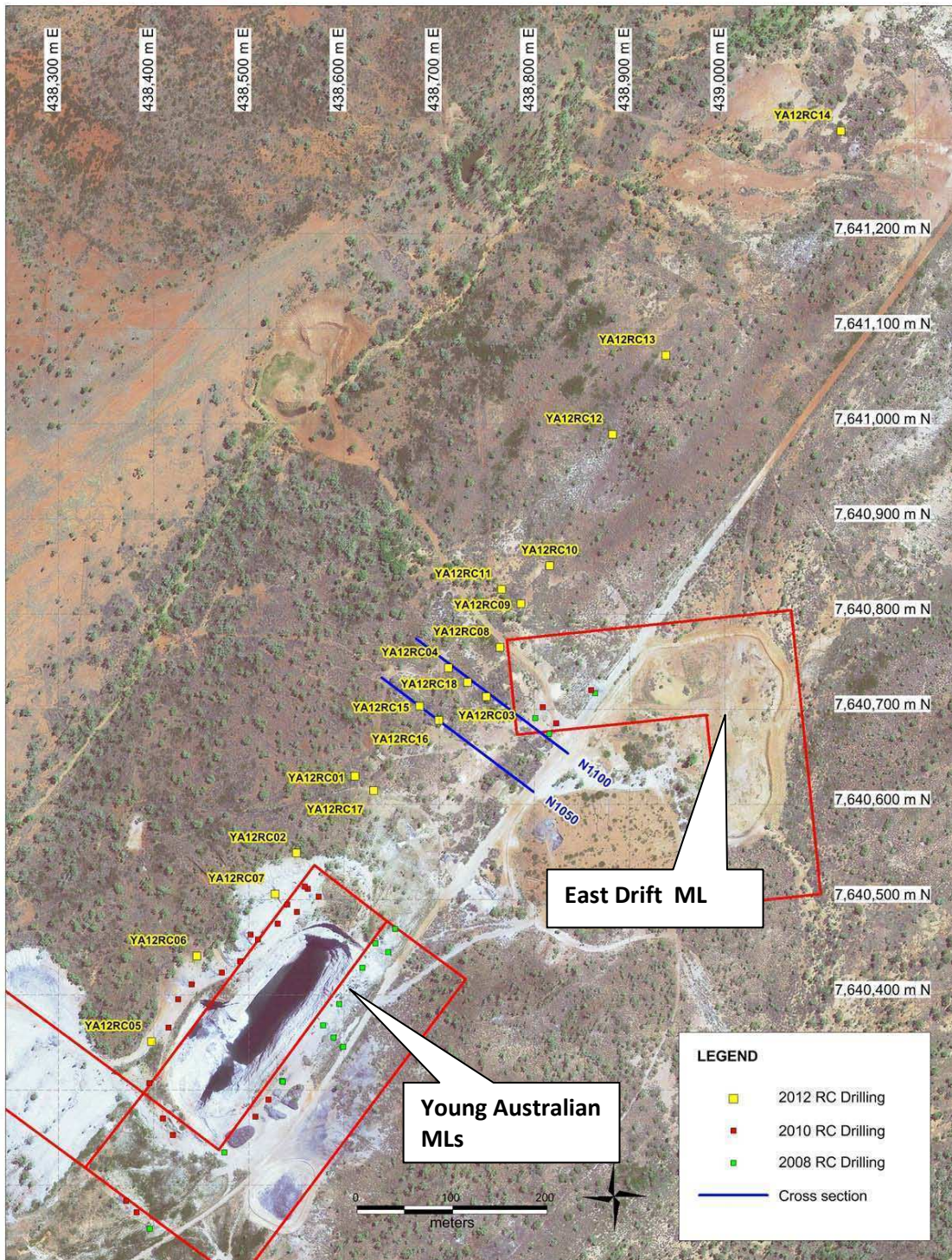


Figure 2: Young Australian RC drillhole plan

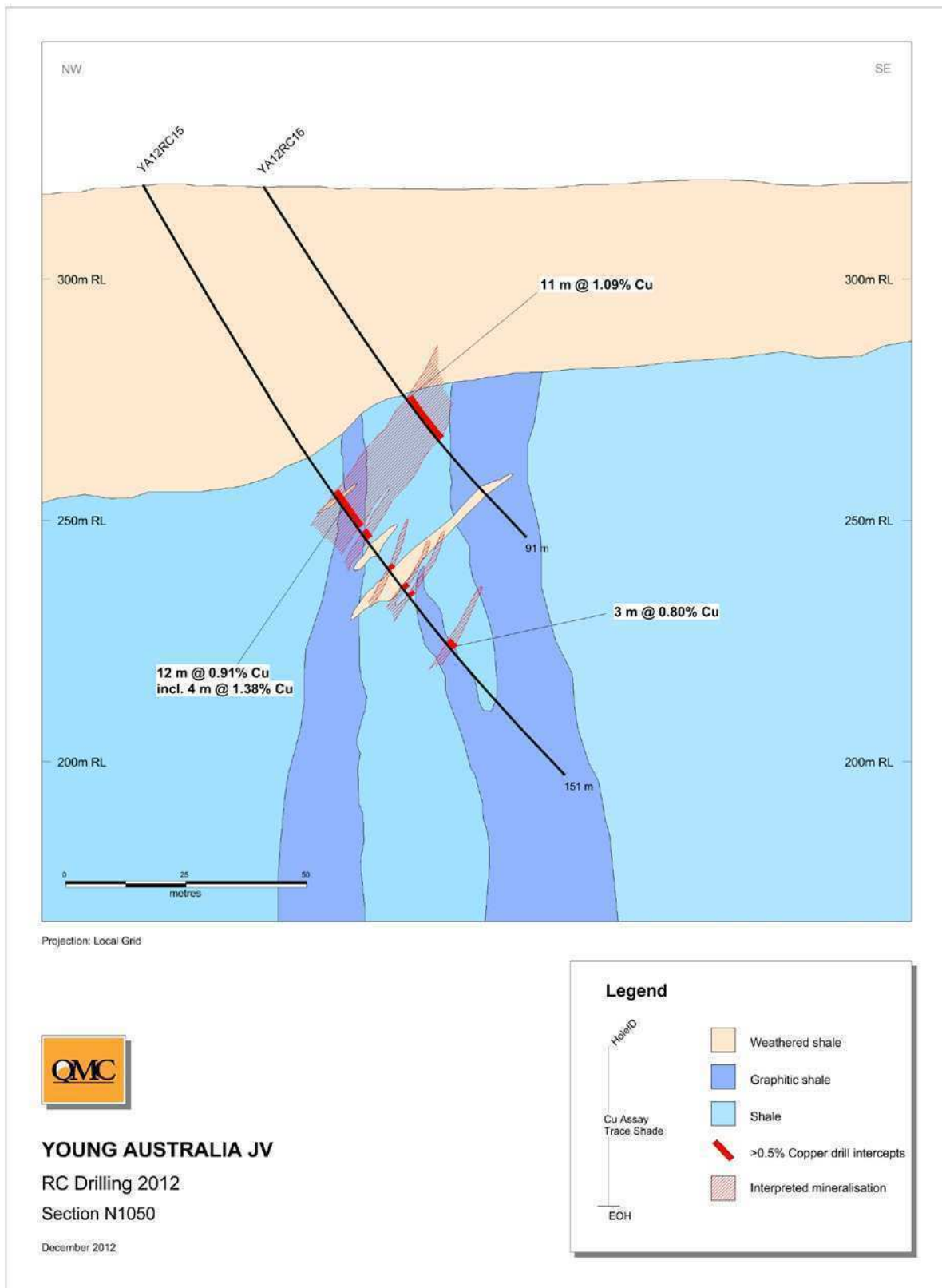


Figure 3: Young Australian Prospect – Cross Section 1050N

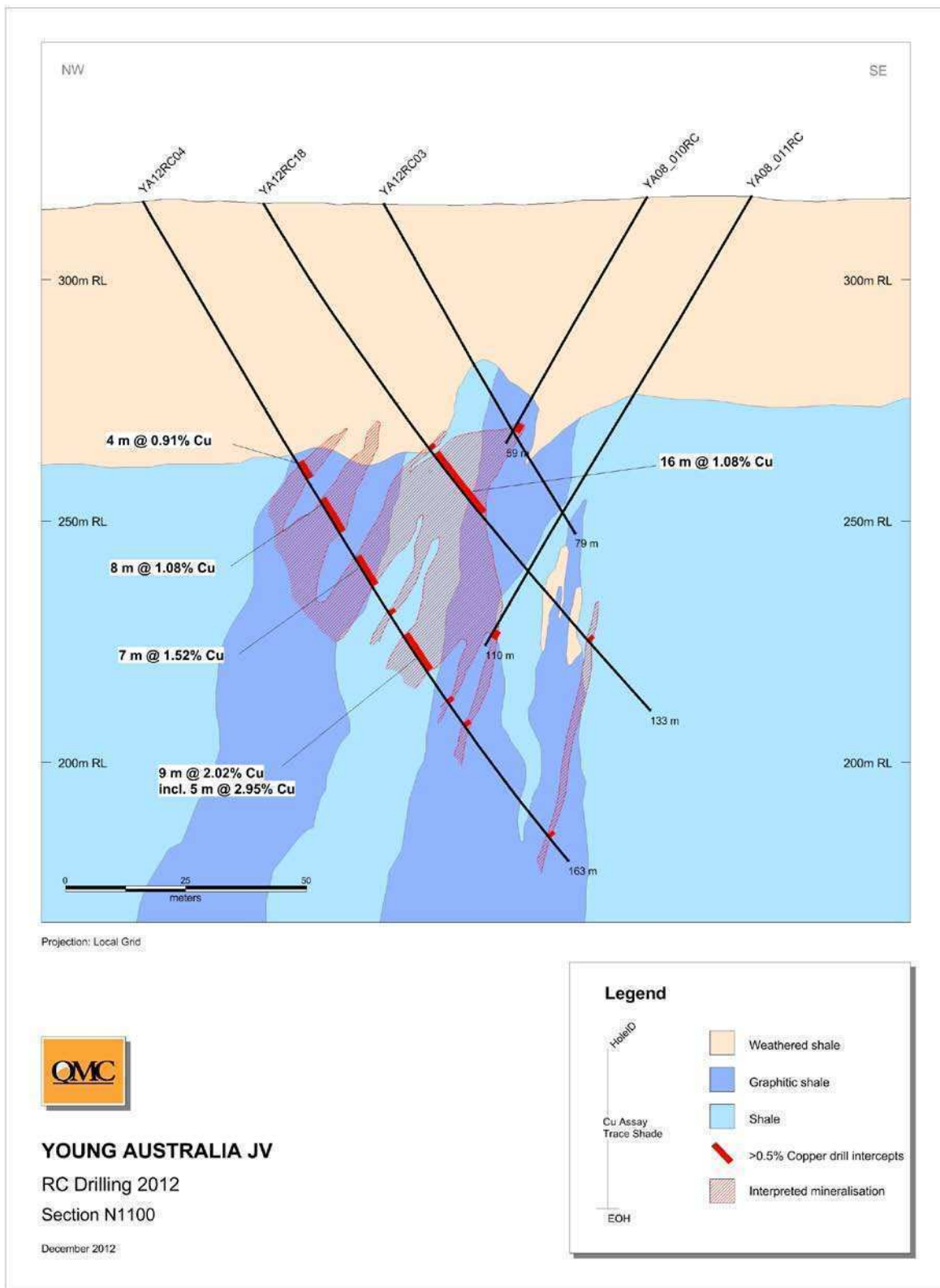


Figure 4: Young Australian Prospect – Cross Section 1100N

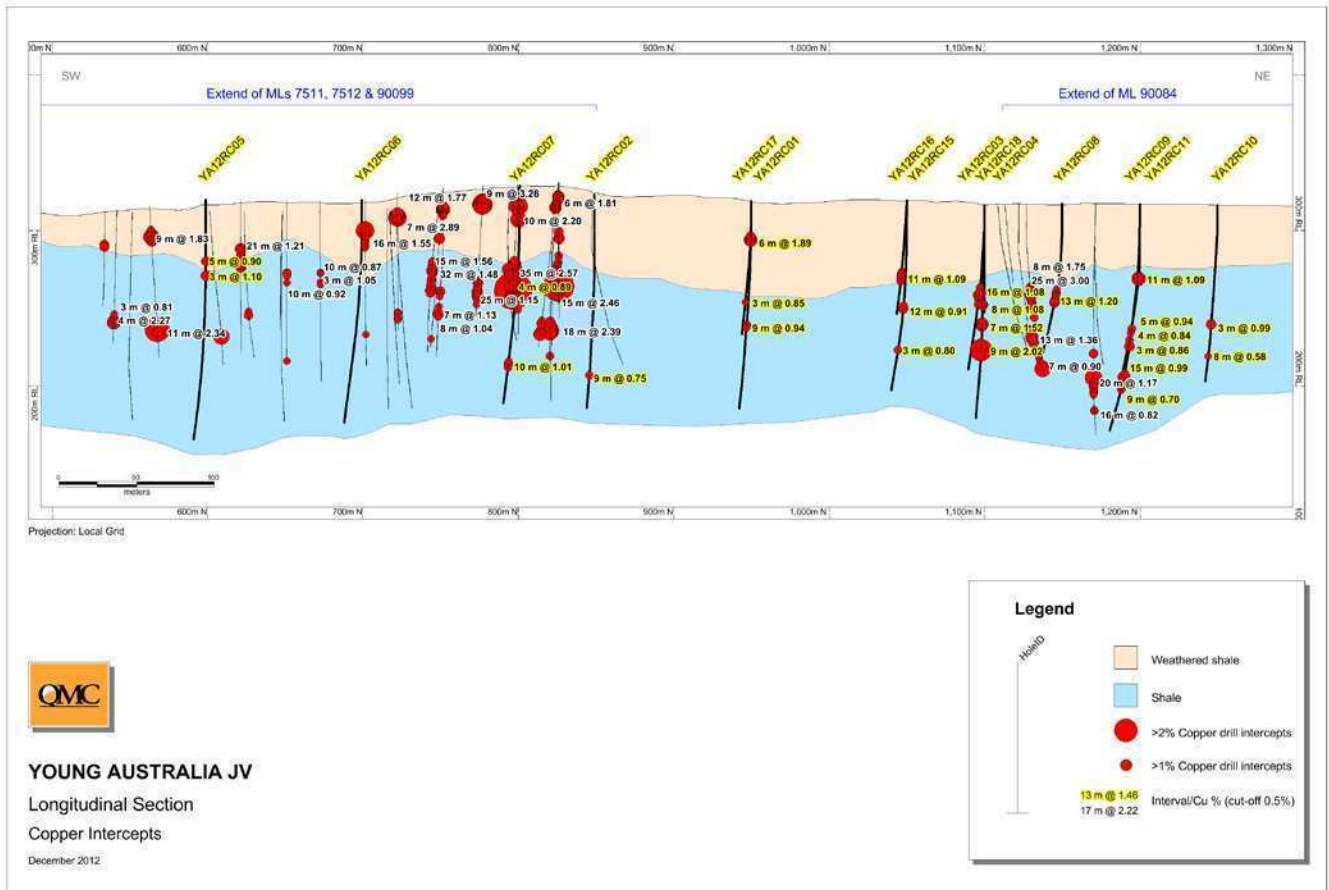


Figure 5: Young Australian - Long section showing the drill intersections historical results and new results highlighted in yellow.



Table 1: Young Australian Prospect – New Significant Results

Hole ID	Easting AMG	Northing AMG	Azimuth Nth	Dip Degrees	From (m)	To (m)	Interval (m)	Cu (%)
YA12RC01	438611	7640630	127	-60	91	100	9	0.94
	<i>Incl</i>				91	95	4	1.15
YA12RC02	438550	7640549	126	-60	129	138	9	0.75
YA12RC04	438710	7640744	127	-60	72	80	8	1.08
					86	93	7	1.52
					105	114	9	2.02
	<i>Incl</i>				105	110	5	2.95
YA12RC05	438398	7640351	126	-60	45	50	5	0.90
					56	59	3	1.10
YA12RC07	438527	7640506	126	-70	72	76	4	0.89
					125	135	10	1.01
YA12RC08	438764	7640765	127	-60	66	79	13	1.20
YA12RC09	438786	7640811	127	-60	48	59	11	1.09
	<i>Incl</i>				53	59	6	1.52
					97	102	5	0.94
					106	110	4	0.84
YA12RC10	438816	7640851	127	-60	88	91	3	0.99
					112	120	8	0.58
YA12RC11	438766	7640826	127	-65	105	108	3	0.86
					127	142	15	0.99
					166	175	9	0.70
YA12RC13	438937	7641075	127	-60	31	34	3	0.91
YA12RC15	438679	7640704	127	-60	75	87	12	0.91
	<i>Incl</i>				79	83	4	1.38
					113	116	3	0.80
YA12RC16	438699	7640688	127	-60	53	64	11	1.09
YA12RC17	438631	7640615	127	-60	26	32	6	1.89
					75	78	3	0.85
YA12RC18	438730	7640728	127	-60	63	79	16	1.08

Notes

- 1) Copper intersections using a 0.5% Cu cut-off grade and up to 3 metres of internal dilution;
- 2) Samples from cone split RC drilling.
- 3) Estimated true widths are approximately 60-70% of the drilled interval.

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Table 2: Young Australian Prospect – Current reported JORC resource estimate.

Prospect	Tonnes (Mt)	Cu (%)	Co (ppm)	Ag (g/t)	Cu (kt)	Co (t)	Ag (koz)
YA Leases							
Indicated	1.107	1.14	120	2.4	12.6	133	85
Inferred	0.412	0.9	79	0.9	3.7	33	12
Ind & Inf	1.519	1.1	109	2.0	16.3	165	97
Eastdrift							
Inferred	0.610	0.8	-	-	4.9	-	-
Total							
Indicated	1.107	1.14	120	2.4	12.6	133	85
Inferred	1.022	0.8	32	0.4	8.6	33	12
Ind & Inf	2.129	1.0	78	1.4	21.2	165	97