



ASX Release

10 October 2012

QMC intersects 72 m @ 2.39% Cu and 0.92g/t Au and announces the first occurrence of Mo/Re mineralisation at Greenmount in the White Range Copper Project, Cloncurry

- ***Exceptional high-grade Copper/Gold intercept at Greenmount***
 - ***72m @ 2.39% Cu, 0.92g/t Au and 905ppm Co from 129m in Hole GM12RC06, including:***
 - ***22m @ 5.07% Cu, 1.83g/t Au and 1088ppm Co from 129m***
- ***First occurrence of Molybdenum/Rhenium mineralisation at Greenmount***
 - ***22m @ 0.34% Mo and 2.84g/t Re from 161m in Hole GM12RC01, including:***
 - ***2m @ 1.58% Mo and 14.5g/t Re from 162m***
- ***High-grade gold intercept at Greenmount***
 - ***3m @ 58g/t Au from 13m in Hole GM12RC03***

Queensland Mining Corporation Limited (**ASX: QMN**) announces the results of its recent drilling campaign at the Greenmount deposit within the Company's 100% owned White Range copper project located 36 km south of Cloncurry, northwest Queensland (**Figure 1**). These include an exceptionally wide zone of high grade Copper/Gold mineralization, the first occurrence of Molybdenum/Rhenium (Mo/Re) mineralisation and a near-surface high-grade gold intersection – see highlights.

The recently completed drill program in Greenmount consists of 22 RC holes totalling 3,810m. The program forms part of the White Range Project Feasibility Study being undertaken by the Company. The purpose of the drilling was to infill the current drill pattern to upgrade the resource classifications, to establish continuity of high grade mineralised shoots and to improve definition of copper mineralisation at the base of and immediately below the pit floor as defined in the Matrix 2005 BFS.

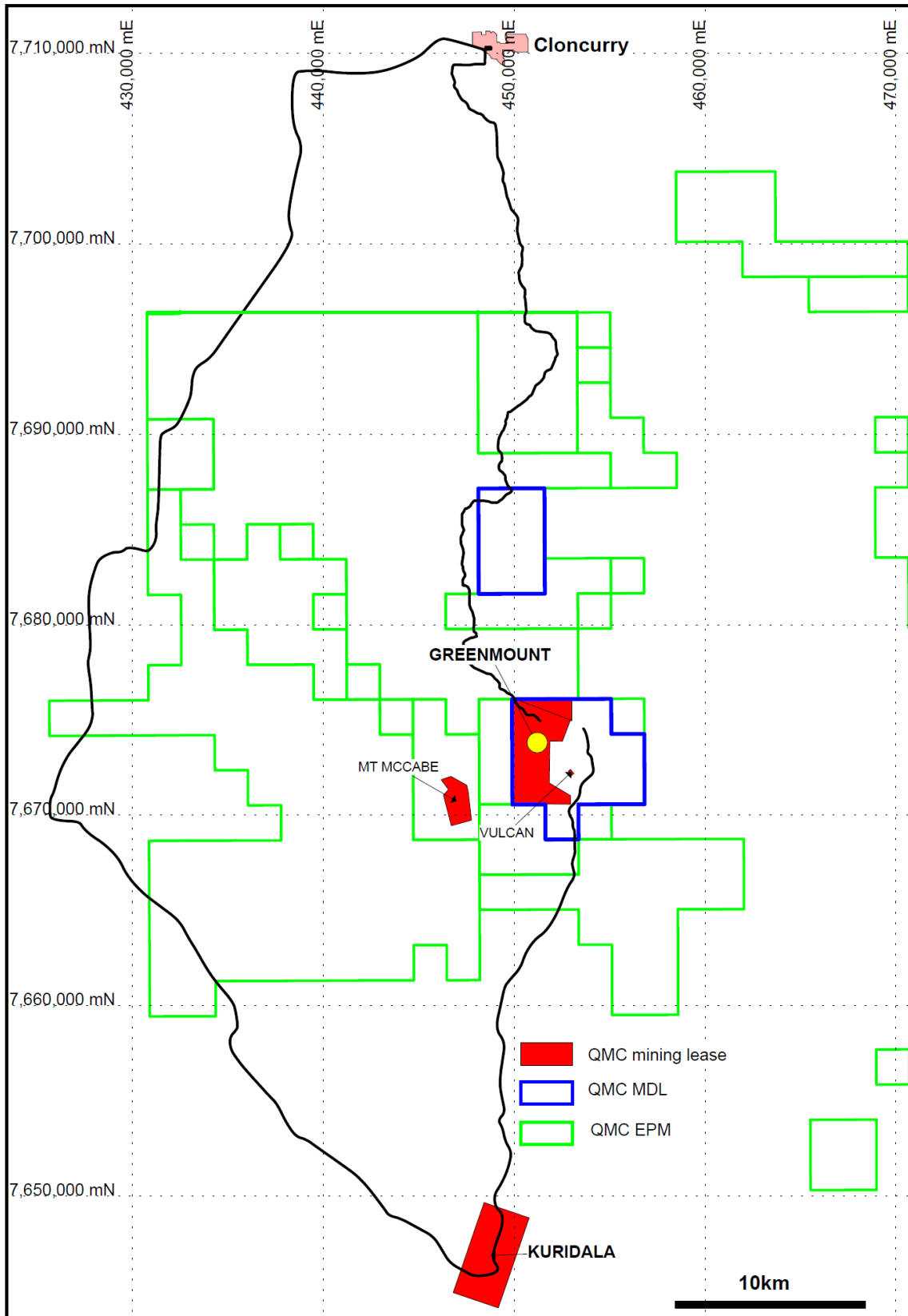


Figure 1: Regional location of the Greenmount copper deposit



High-Grade Copper/Gold Mineralisation

The assays have been received from the first 18 holes of the Greenmount program, which were mainly drilled into the southern and central parts of the Greenmount deposit (**Figure 2**). All holes were drilled towards the southwest at a dip of -60 degrees with depths varying from 103 to 265m (**Table 1**). Assay results returned multiple intervals of high-grade copper mineralization with gold and cobalt credits throughout most holes (**Table 2**). Key incepts are highlighted below:

- **72m @ 2.39% Cu, 0.92g/t Au and 905ppm Co from 129m in Hole GM12RC06, including 16m @ 6.49% Cu, 2.32g/t Au and 1217ppm Co from 129m**
- **24m @ 2.38% Cu, 1.09g/t Au and 665ppm Co from 29m in Hole GM12RC13**
- **7m @ 2.06% Cu from 10m in Hole GM12RC11**
- **12m @ 1.78% Cu and 0.82g/t Au from 44m in Hole GM12RC12**
- **20m @ 1.63% Cu, 1.01g/t Au and 916ppm Co from 77m in Hole GM12RC03 plus 3m @ 58g/t Au from 13m**
- **12m @ 1.40% Cu, 0.74g/t Au and 714ppm Co, including 5m @ 2.54% Cu, 1.39g/t Au and 1019ppm Co in Hole GM12RC07**
- **18m @ 1.04% Cu, 0.36g/t Au and 1010ppm Co from 176m in Hole GM12RC05, including 5m @ 2.07% Cu, 0.64g/t Au and 880ppm Co from 176m plus a second interval of 11m @ 2.49% Cu, 0.81g/t Au and 1221ppm Co**

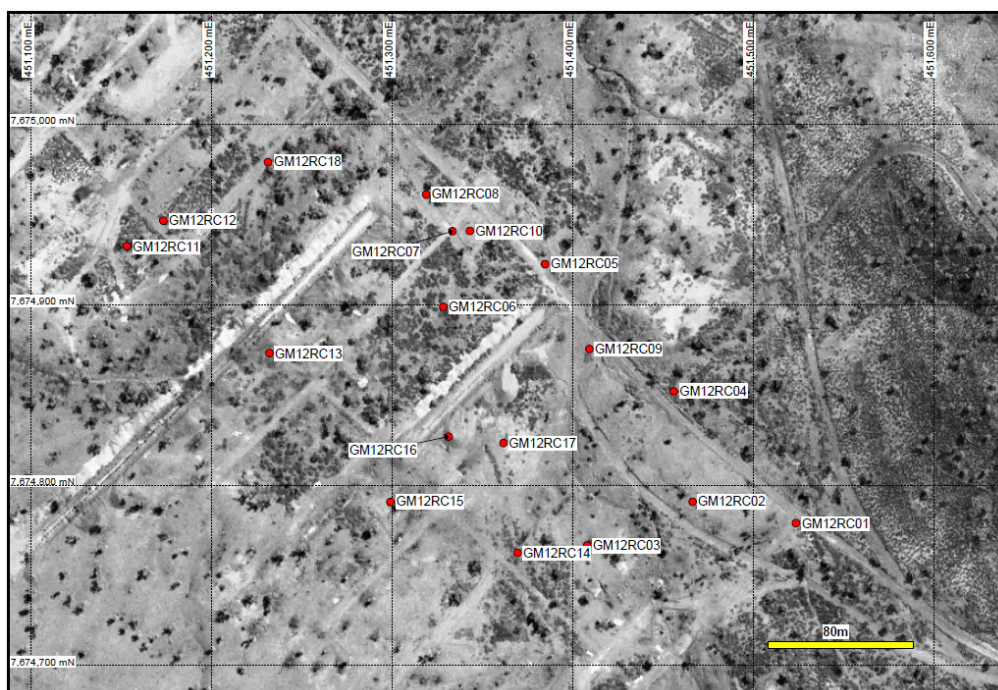


Figure 2: Greenmount RC drilling plan



Of particular importance, Hole GM12RC06, which was drilled in the central part of the Greenmount ore body, reported a very wide zone of 72m @ 2.39% Cu, 0.92g/t Au, 902ppm Co and 2.08g/t Ag from 129m, including an intersection of 16m @ 6.49% Cu, 2.32g/t Au and 1217ppm Co from 129m. This is the best drill intercept encountered in all drilling in the Greenmount area both by QMC and all previous companies. This intercept extends high-grade copper mineralisation below the current open pit floor.

Field examination of the RC chips indicates the mineralization is dominated by chalcocite with minor covellite and bornite, hosted by silicified and potassic altered black slates (**Figure 3**). Copper mineralization in adjacent holes surrounding Hole GM12RC06, includes 18m @ 1.04% Cu, 0.36g/t Au and 1010ppm Co from Hole GM12RC05 (about 60m to the east) and 12m @ 1.40% Cu, 0.64g/t Au and 713ppm Co from 168m in Hole GM12RC07 (about 35 m to the north) (**Figure 4**).

These results demonstrate that the high-grade copper mineralisation at Greenmount has an associated high gold content, which could be a potential by-product and thus increase the value of the White Range project. The geometry and occurrence of this exceptionally high-grade copper/gold zone is being investigated and its spatial distribution will be established to assist further drilling.

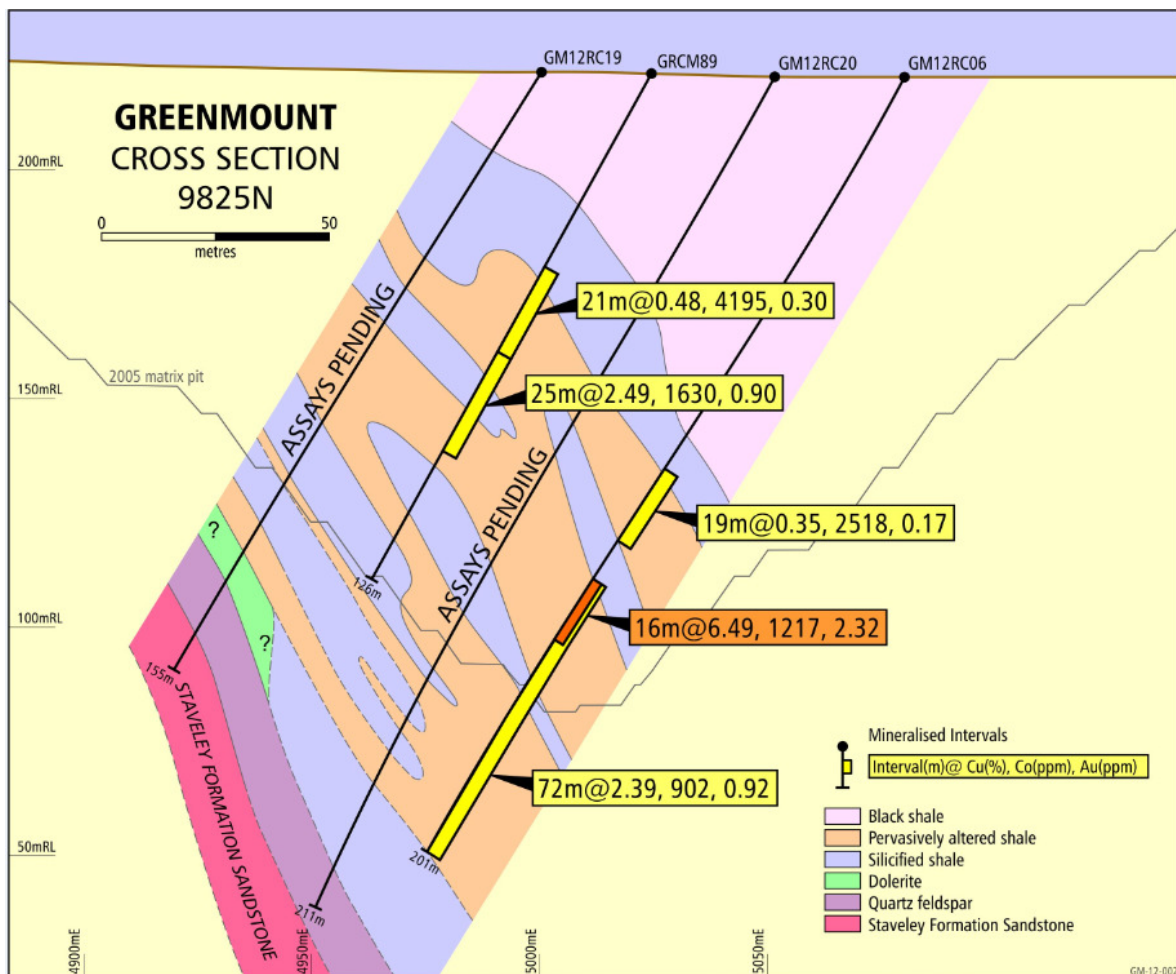


Figure 3: Cross section through Hole GM12RC06 showing the significant copper intersection remains open at depth

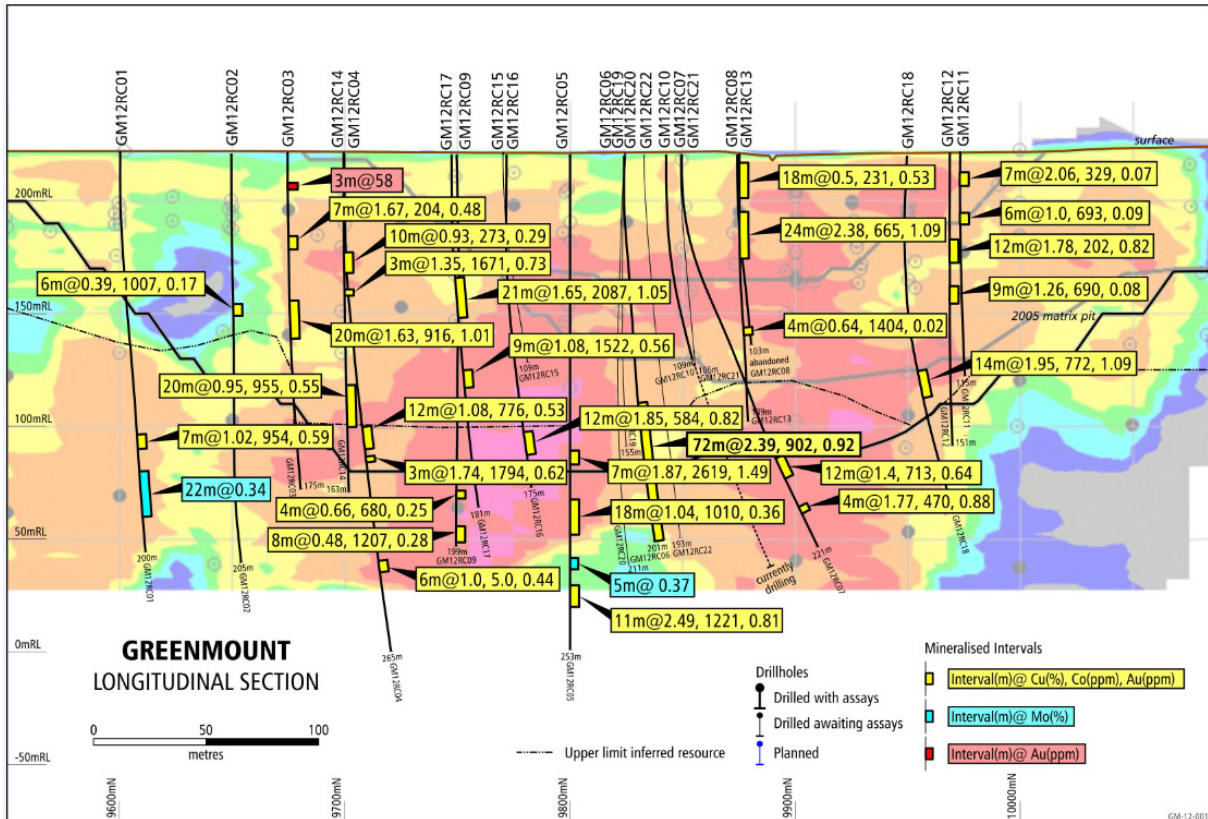


Figure 4: Long section showing the drill intersections from the first 18 holes of the RC drill program

Molybdenum/Rhenium Occurrence

In addition to the outstanding copper results, molybdenum-rhenium mineralisation has been discovered in 2 RC holes (GM12RC01 & GM12RC05 – Figure 4) drilled in the program. Assay results for Re have been received for 1 hole. Key incepts are highlighted below:

- **22m @ 0.34% Mo and 2.84g/t Re from 161m in Hole GM12RC01, including 2m @ 1.58% Mo and 14.5g/t Re from 162m**
- **5m @ 0.37% Mo from 204m in Hole GM12RC05 (awaiting Re assays)**

This is the first molybdenum-rhenium mineralization discovered in the Greenmount deposit and in the White Range area and is a new mineralisation-type occurrence for QMC.

The molybdenum-rhenium mineralization occurs separate to the copper zones and is hosted by massive quartz-feldspar veining within black shales of the Marimo Formation, adjacent to the contact with the Staveley Formation (Figure 5). Trace visible molybdenite was noted in RC chips.

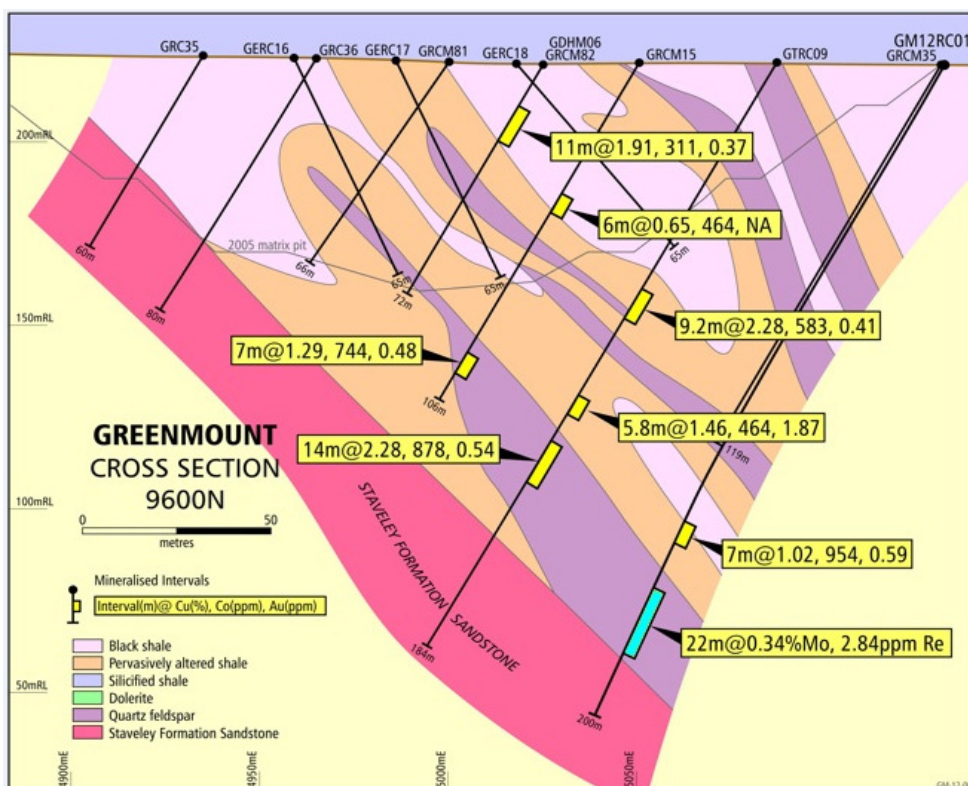


Figure 5: Cross section - molybdenum-rhenium mineralization discovered in the Greenmount deposit

The Greenmount molybdenum-rhenium mineralisation has markedly similar geological characteristics to Ivanhoe’s Merlin deposit (6.7Mt@1.34% Mo and 23.2g/t Re), approximately 70km south of Greenmount.

A follow up drill program is being planned for Greenmount to establish the continuity of this mineralisation. It should be noted that molybdenum and rhenium were not analysed in any previous drilling campaigns and thus the Mo/Re intercept is open in all directions.

The Company’s technical team is developing a new geological model for this mineralisation and this will guide further exploration for molybdenum-rhenium mineralization both at the Greenmount deposit and across the extensive QMC tenement in the Cloncurry South District where the Marimo-Staveley contact occurs in favourable structural settings.

Summary

The Company is very excited about these encouraging drill results, particularly the very broad zone of high-grade copper mineralization below the proposed pit floor and the discovery of molybdenum-rhenium mineralisation. Further drilling is planned this season to follow up these excellent results and to confirm the indications that the Greenmount deposit is opening up at depth. A new resource model for Greenmount will be developed along with an updated geological interpretation.

Samples from the remaining holes in the program have been despatched to the ALS Laboratories in Townsville and more results will be announced when they come to hand.



Table 1: Greenmount Prospect -Drill Hole Details and Location

Hole ID	Easting MGA94	Northing MGA94	RL_m	AZIMUTH Magnetic	DIP	DEPTH (m)
GM12RC01	451,524	7,674,779	221.50	218	-60.00	200.00
GM12RC02	451,466	7,674,791	220.50	218	-60.00	205.00
GM12RC03	451,408	7,674,767	221.00	218	-60.00	175.00
GM12RC04	451,456	7,674,852	220.50	218	-60.00	265.00
GM12RC05	451,385	7,674,922	224.00	218	-60.00	253.00
GM12RC06	451,328	7,674,899	224.00	218	-60.00	201.00
GM12RC07	451,333	7,674,941	220.00	218	-60.00	221.00
GM12RC08	451,319	7,674,961	220.00	218	-60.00	103.00
GM12RC09	451,409	7,674,875	220.00	218	-60.00	199.00
GM12RC10	451,343	7,674,941	220.00	218	-60.00	109.00
GM12RC11	451,153	7,674,932	221.50	218	-60.00	115.00
GM12RC12	451,173	7,674,946	221.00	218	-60.00	151.00
GM12RC13	451,232	7,674,873	220.50	218	-60.00	139.00
GM12RC14	451,369	7,674,762	221.00	218	-67.50	163.00
GM12RC15	451,299	7,674,791	221.00	218	-60.00	109.00
GM12RC16	451,331	7,674,827	220.00	217.5	-60.00	175.00
GM12RC17	451,362	7,674,823	220.00	218.0	-60.00	181.00
GM12RC18	451,231	7,674,979	219.50	213.0	-60.00	181.00
GM12RC19	451,273	7,674,843	223.00	213.0	-60.00	155.00
GM12RC20	451,309	7,674,880	223.00	213.0	-60.00	211.00
GM12RC21	451,270	7,674,875	221.00	218.0	-74.00	106.00
GM12RC22	451,332	7,674,915	220.50	218.0	-60.00	193.00

Table 2: Greenmount Prospect – Selected Results from RC Drilling

Hole ID	From (m)	To (m)	Interval (m)	Cu (%)	Au (g/t)	Co (ppm)	Mo (%)	Re (g/t)
GM12RC01	143	150	7	1.02	0.59	954		
	161	183	22				0.34	2.84
Incl	162	164	2				1.58	14.5
GM12RC02	75	81	6	0.39	0.17	1007		
GM12RC03	13	16	3	0.25	58	259		
	43	50	7	1.67	0.48	204		
	77	97	20	1.63	1.01	916		
GM12RC04	147	159	12	1.08	0.53	776		
	163	166	3	1.74	0.62	1794		
	218	224	6	1	0.44	528		
GM12RC05	151	158	7	1.87	1.49	2619		
	176	194	18	1.04	0.36	1010		
	204	209	5				0.37	
	220	231	11	2.49	0.81	1221		
GM12RC06	129	201	72	2.39	0.92	902		
Incl	129	145	16	6.49	2.32	1217		

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GM12RC07	168	180	12	1.4	0.64	713		
	197	201	4	1.77	0.88	470		
GM12RC08	RC hole abandoned							
GM12RC09	171	175	4	0.66	0.25	680		
GM12RC09	189	197	8	0.48	0.28	1207		
GM12RC10	RC hole abandoned							
GM12RC11	10	17	7	2.06	0.07	329		
	31	37	6	1	0.09	693		
GM12RC12	44	56	12	1.78	0.82	202		
	68	77	9	1.26	0.08	690		
GM12RC13	4	22	18	0.5	0.53	231		
GM12RC13	4	22	18	0.5	0.53	231		
	29	53	24	2.38	1.09	665		
	89	93	4	0.64	0.02	1404		
GM12RC14	48	58	10	0.93	0.29	273		
	66	69	3	1.35	0.73	1671		
	112	132	20	0.95	0.55	955		
GM12RC15	69	77	8	3.48	2.02	1081		
GM12RC16	50	56	6	0.98	0.32	2782		
	95	100	5	1.52	1.15	2618		
	146	158	12	1.85	0.82	584		
GM12RC17	63	84	21	1.65	1.05	2087		
	111	120	9	1.08	0.56	1522		
GM12RC18	112	126	14	1.95	1.09	772		

- Note:
- i) copper intersections using a 0.5% Cu cut-off grade and up to 3 metres of internal dilution
 - ii) copper intersections in GM12RC02 and GM12RC09 included to show continuity of mineralisation but do not meet above criteria
 - iii) intersections in holes GM12RC01, GM12RC03 & GM12RC05 included where significant gold or molybdenum intersected

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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 mineralization 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.