White Range
Young Australian Project

Queensland Mining Corporation

2012
Annual Report

Queensland Mining Corporation LIMITED
ABN 61 109 962 469

Contents

The Annual General Meeting of the shareholders of Queensland Mining Corporation Limited will be held at 12:00 noon Friday 30 November 2012, at CTA Business Club, 19-29 Martin Place, MLC Plaza, Sydney NSW 2000.

AGM
30 Nov 2012

Mt Freda gold mine pit, supplies water to Mt Norma operations and could supply water to the White Range Project.

FRONT COVER - Young Australian ore body, 100% owned by QMC (secured the rights to explore 19 kms^2 at the Young Australian Project, currently drilling).

Chairman's Report

Dear Shareholder,

The past financial year has been a building year for QMC and I am delighted to deliver the annual report for the financial year ended 30 June 2012.

We have been successful in completing several deals with Ivanhoe which have been pending for some time. The consolidation of the Young Australian deposit through the excellent efforts of our MD, Howard Renshaw and Stephen Maffey has provided a wonderful platform for the future operations of QMC.

The Company has undertaken a substantial drilling campaign which is ongoing. QMC's drilling campaign is focussed on metallurgical drilling and infill resource drilling at Greenmount. Drilling has recently commenced at the Young Australian. The drilling results to date have been very encouraging and we await further results with great expectation.

QMC has also been busy on the capital raising front.

In July 2011 Tulla Resources provided an unsecured loan of $3million to enable it to undertake its drilling campaign and for the upgrade of the Company's JORC resources and for the commencement of the update of the Matrix 2005 BFS and general working capital.

In November 2011 Tulla Resources provided $1,551,000 in a placement to raise further capital.

In February 2012 QMC secured a new cornerstone investor with Great Tang Brothers acquiring a 15.31% stake through a placement that raised $4,301,000.

Following the placement to Great Tang Brothers, we welcomed Mr Bob Besley onto the board of QMC as a non-executive director. Bob brings over 45 years of experience in the mining industry as a well-respected geologist which brought a complimentary skill set to the board. Ms Cathie Wu was appointed as Mr Besley's alternate director at that time.

QMC has remained focussed on implementing its strategic objectives which is upgrading the Matrix 2005 BFS and undertaking a drilling program structured around the White Range feasibility study (WRFS).

In April, QMC retained Calder Maloney as consulting engineers and project study managers to the WRFS. Our internal team at QMC was assembled with Dr Jon Gilligan as QMC interim project manager and Mr Doug McLean as White Range Resource Development Manager.

QMC held an EGM in June to refresh its15% placement powers and additional placement powers were approved by you. Since the end of the financial year, Perfect Nation Global Limited has invested $3,800,000 to enable QMC to continue to undertake this important work in progressing the WRFS and seeking additional JORC resources to support the White Range Project through metallurgical and resource drilling and metallurgical testing of the White Range ore bodies. Ms Cathie Wu was appointed as a non-executive director.

QMC has a dedicated and experienced senior management team led by Howard Renshaw, the Managing Director. I would like to personally thank Howard and all the team at QMC for their hard work and commitment to the Company.

In late October 2012 Mr Howard Renshaw advised he was standing down from the position of Managing Director, after eight years in the role.

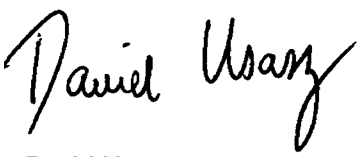
Mr Renshaw founded the company in 2004 and I believe has acquired an outstanding suite of projects, highlighted by the acquisition in 2010 of the White Range Project. Since December 2010, the copper resource has doubled under QMC management and the JORC gold ounces have increased from zero to 325,000 oz.

This augers the start of a new development period for QMC which shall seek a senior hands-on CEO to pursue the White Range feasibility study and implement the Company's already articulated strategies to be a significant producer of copper/gold in the Cloncurry region. Mr Renshaw will remain as an active non-executive director of the group. Mr Renshaw retains a significant shareholding in the Company. We thank Howard sincerely for his efforts.

We remain a small staff in our office and I wish to recognise the good efforts of Ms Fiona Li in finance, Stan Huang in the office and Stephen Maffey our legal counsel and General Manager, Commercial and recognise their substantial contribution to the operations of the Company over the past year. Operations at Cloncurry continue to be led by Dr Guojian Xu, General Manager, Exploration and his efforts are very well respected by all who visit the area.

I also extend my thanks to my fellow non-executive board members, Mr Brian Rear, Mr Bob Besley and Mr Richard Hill (also company secretary) for their support of me and QMC.

The vision ahead for the Company is clear and QMC is on track to meet its stated objectives. I look forward to the year ahead with great confidence.



David Usasz
Chairman

Managing Director's Report

It is with pleasure that I submit my final report as Managing Director of your Company.

I am proud to report, particularly to the long standing shareholders and those who have supported the Company over the longer term, that since 2010, the Company has:

- Secured the White Range Assets from Matrix Metals Limited ("**Matrix**"), particularly Greenmount, Kuridala, Mt McCabe, Vulcan, and Stuart ("**Matrix Assets**"); a process which took approximately 20 months. The White Range Project ML's contained the JORC Resource of 163,000 tonnes of copper at 1.1% head grade as reported by Matrix at the time of purchase;
- Secured three agreements with Ivanhoe Cloncurry Mines Pty Ltd ("Ivanhoe") in respect of the Young Australian Project Area, Kuridala and Stuart MLs. The Agreements (which took approximately 18 months to negotiate) with Ivanhoe has granted Ivanhoe an option to purchase the Stuart ML for significant material value;
- Under the Young Australian Agreement, entered into at the same time, Ivanhoe has granted QMC a 5 year term over 19km^2 of their EPM to explore and develop the Young Australian project. This now enables QMC to carry out substantial drilling on the Young Australian MLs, which are already owned by QMC, and are contained within Ivanhoe's EPM as announced on 19 October 2012. I believe that this achievement creates a great opportunity for the Company to significantly increase its JORC resources. The Young Australian could develop into a stand alone project. Presently, the Young Australian supports the White Range Project;
- Become one of the significant copper players in the Mount Isa Region as a result of the combination of the acquisition of the Matrix's White Range Assets and the Young Australian Agreement;
- Secured substantial funding which has enabled QMC to acquire and enter into agreements for interests in substantial mining assets, plant, equipment, and operating agreements;
- Secured substantial funding which has enabled QMC to acquire and enter into agreements for interests in substantial mining assets, plant, equipment, and operating agreements;
- Commissioned Calder Maloney Pty Ltd to undertake a feasibility study to be completed during 2013 for the development of QMC's flagship, the White Range project. Phase 1 and a good part of Phase 2 have been completed. The current RC drilling and Diamond PQ metallurgical core recovery, once completed, will comprise the balance of Phase 2, along with a laboratory recovery program for mining and metallurgical processing routes to be designed;

I believe that these achievements, coupled with the drilling programs undertaken during the past 12 months both at White Range, Young Australian, and QMC's other tenements as required under their title obligations have identified for QMC substantial mineralisation. The table below is a comparison between the JORC Resources at the commencement of 2010 and the assets which QMC has now acquired to the benefit of its shareholders and shows the increase as a result of the assets purchased and the drilling program carried out by QMC which has greatly increased shareholder value.

QMC's Mineral Resources drilling seasons 2010-2012

	2010	2011	2012
Diamond & RC Drilling Completion	14,622m	6,891m	15,000m [1]
Geochemistry Lag, Soil, Drill Assays	16,610	7,167	9,812
Mineralisation JORC Gold oz	–	308,000	325,112
Mineralisation JORC Copper tonnes	163,000	269,000	296,000
Mineralisation JORC Cobalt Mlbs	–	24.48	27.94

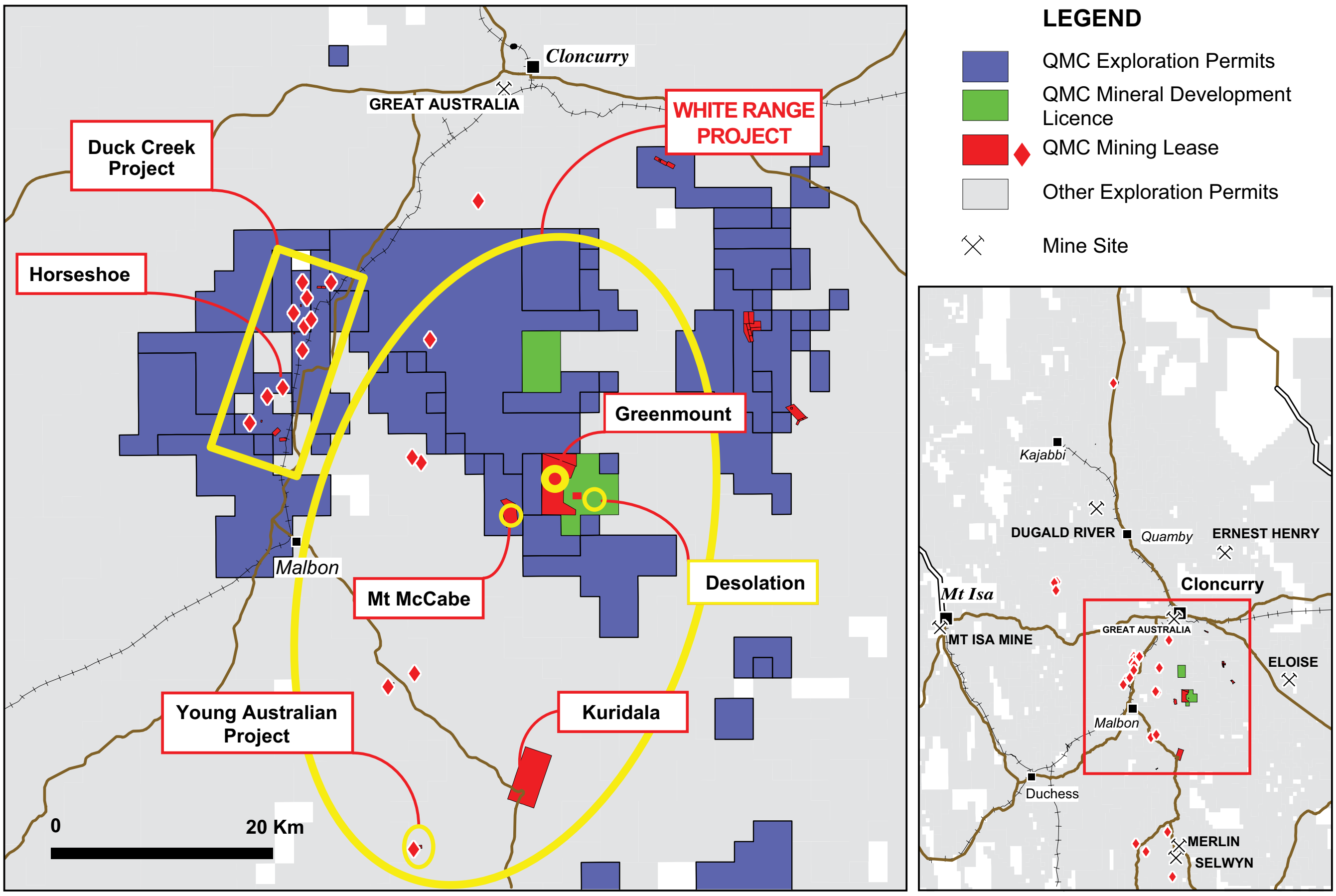
[1] Includes programed drilling to end of the season.

White Range Project

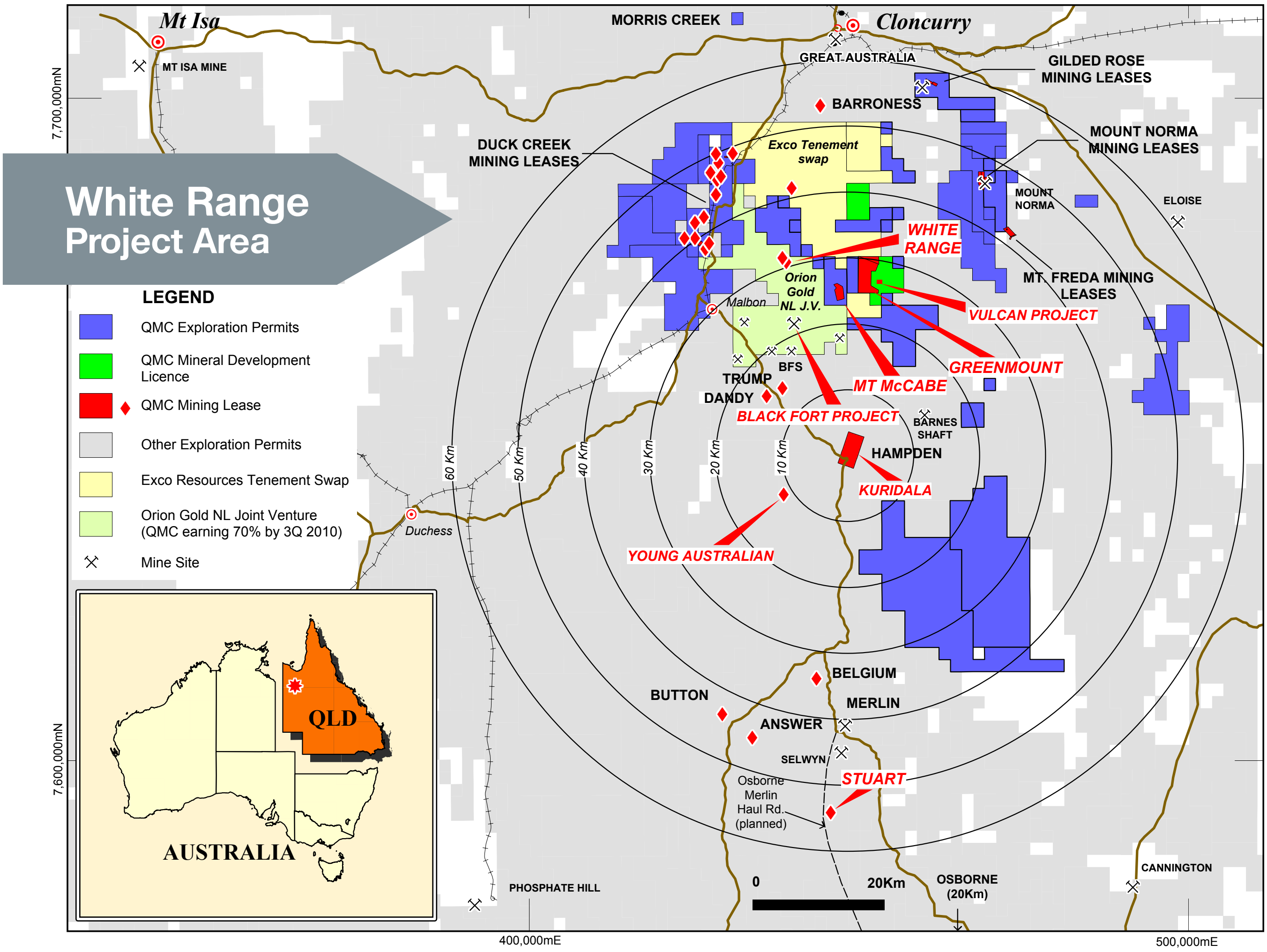
QMC acquired the White Range Project and other assets from Matrix Metals Limited in July 2010 with final completion in December 2010. This had been preceded by 18 months of on/off negotiations. Matrix was acquired with 163,000 tonnes of copper at 1.1% head grade. The Company now has a total of 296,000 tonnes of copper, 325,000 ounces of gold and 28 million tonnes of cobalt (with Silver, Cobalt, Molybdenum, Rhenium and Uranium mineralization at various deposits). With the current drilling and assay program underway at Greenmount and Young Australian, management anticipates that it will significantly increase the JORC Resource at the White Range Project area.

White Range Project Area

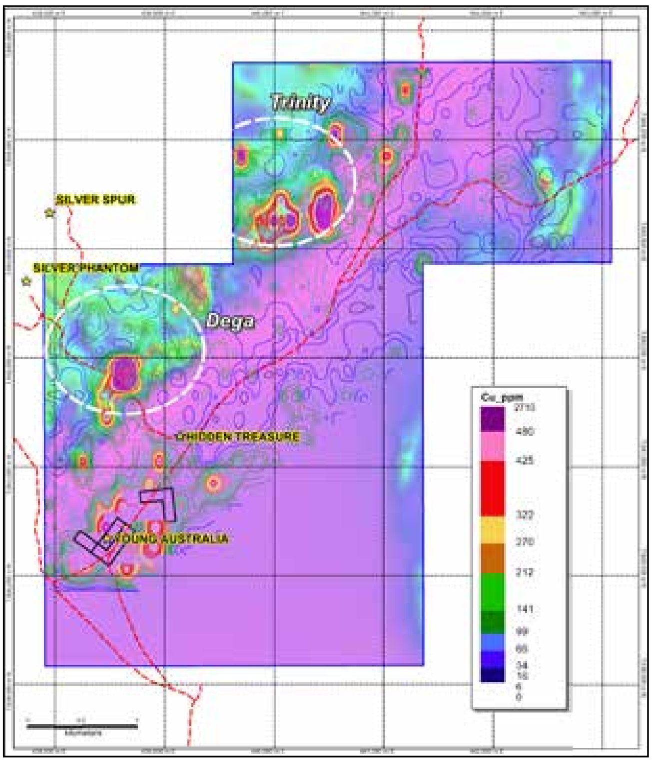
QMC identified as having in total 296,000 tonnes of **Copper**, 325,000 ounces of **Gold** and 28 million pounds of **Cobalt**.



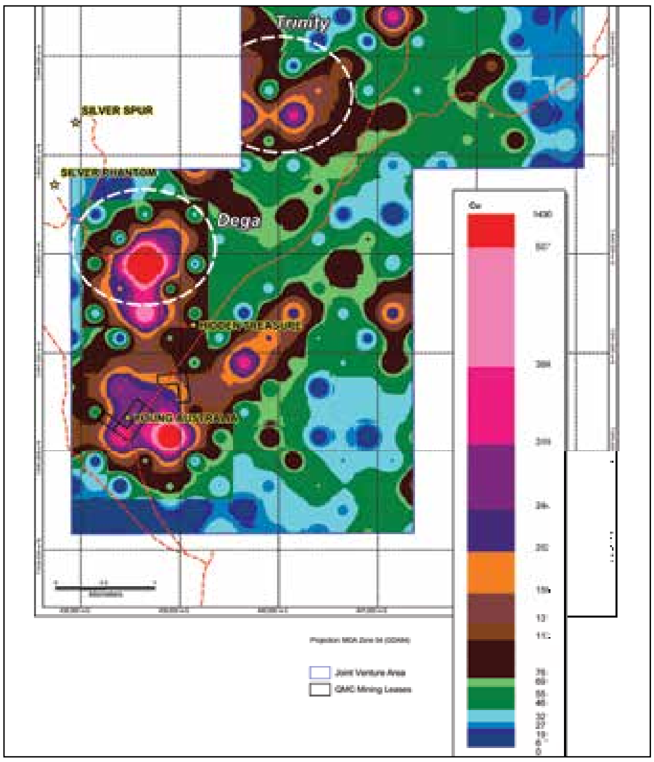
Projects South of Cloncurry - White Range Project Area.



Young Australian Exploration – Drill Targets Identified

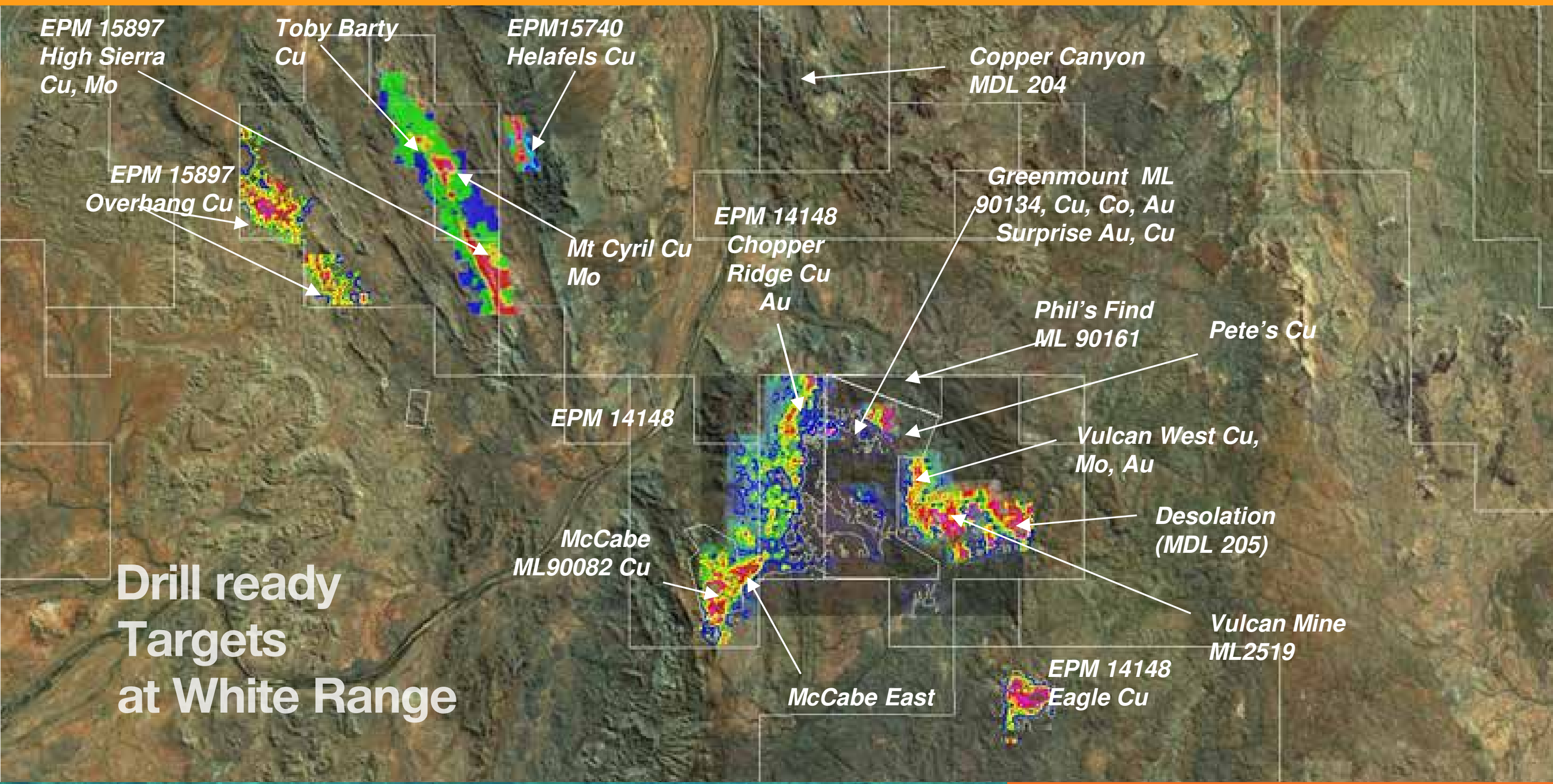


Copper in soil contours over the total magnetic intensity image.



Young Australian Copper in lag image.

White Range Soil Geochem - Copper and molybdenum drill ready targets



QMC Projects JORC Resources

significant increase anticipated with current drilling at Young Australian and Greenmount

QMC's Mineral Resources (JORC 2012)

	TOTAL MINERAL RESOURCE (1) (0.2% Cu cut-off unless stated otherwise)	CONTAINED COPPER t (1)	CONTAINED COBALT M lts (1)	CONTAINED GOLD oz (1)
White Range Project				
Greenmount	12.3 Mt @ 0.80% Cu, 0.06% Co, 0.30g/t Au	97,000	16.01	118,500
Kuridala	7.2 Mt @ 0.84% Cu, 0.02% Co,0.21g/t Au	60,000	3.92	48,600
Mt McCabe	7.7 Mt @ 0.57% Cu, 0.02% Co	44,000	3.69	–
Young Australian	2.1 Mt @ 1.03% Cu, 0.01% Co	21,000	0.37	–
Vulcan (MDL 205)	1.4 Mt @ 0.64% Cu, 0.02% Co	9,000	0.50	–
Desolation (MDL 205)	1.94 Mt @ 0.66% Cu, 0.05% Co, 0.2g/t Au	12,875	2.13	12,353
Sub-Total White Range	**32.64Mt @ 0.75% Cu, 0.037% Co, 0.170g/t Au**	**243,875**	**26.62**	**179,453**
Stuart (Selwyn)	5.6 Mt @ 0.55% Cu, 0.14g/t Au	31,000	–	26,900
Horseshoe (Duck Creek)	0.96 Mt @ 1.47% Cu	14,134	0.33	3,859
Flamingo (1.0% cut-off)	0.1 Mt @ 6.0% Cu, 1.8g/t Au	7,000	–	6,900
Mt Freda (0.5g/t cut-off)	1.6 Mt @ 1.7g/t Au, 0.03%Co	–	1.00	89,000
Gilded Rose (0.5g/t cut-off)	0.14 Mt @ 4.2g/t Au	–	–	19,000
Total Copper Deposits	**41.04 Mt @ 0.72% Cu, 0.031% Co, 0.25g/t Au**	**296,000**	**27.95**	**325,112**

(1) Totals rounded to nearest thousand (t), ten thousand (M lbs) & hundred (oz) and may not add to exact number shown in total due to rounding; no recovery factor applied to calculate "contained" product; Cu = total copper metal,

Young Australian
Phase 1 – 2012
Drillhole location

White Range Project (continued)

The Matrix assets were acquired for approximately $5 million and the Company spent an additional approximately $2 million on due diligence, holding costs and JORC reassessment and validation, analysis of the data and strategies and drill priority programs for the 2012 and 2013 years strategic drill programs focused on the White Range Project, as well as preparation for development going forward through the engagement of Calder Maloney Feasibility Study upgrade. The table and map on page 5 indicates the significance of the Matrix ground since acquisition.

White Range acquisition

$5million

included a contained Copper JORC resource of 163,000tonnes @1.1% head grade

Young Australian Project

The Company acquired Young Australian prior to listing. However, Young Australian was comprised of small ML's that required the cooperation of the adjoining tenement owner, Ivanhoe, to enable this to be developed. After completion of the Matrix acquisition, Ivanhoe was prepared to deal with their land surrounding the Young Australian provided QMC entered into an arrangement with Ivanhoe with respect to Stuart in the Selwyn Area. Stuart ML was acquired for $200,000 from Matrix through Maxiforde Pty Ltd. Recent arrangements with Ivanhoe led to the granting to Ivanhoe of a 5 year option and, if exercised, then the value may progressively be between $7-8 million. QMC retains access to the Stuart Mine and the right to mine and remove 700,000 tonnes of oxide in the interim.

The drilling program for the Young Australian has been dependent on clearances being obtained from all affected parties and the contractual arrangements with Ivanhoe becoming unconditional, which occurred in early October 2012. The drilling program design is for 10,000 metres of which the first 3,750 metres is in progress.

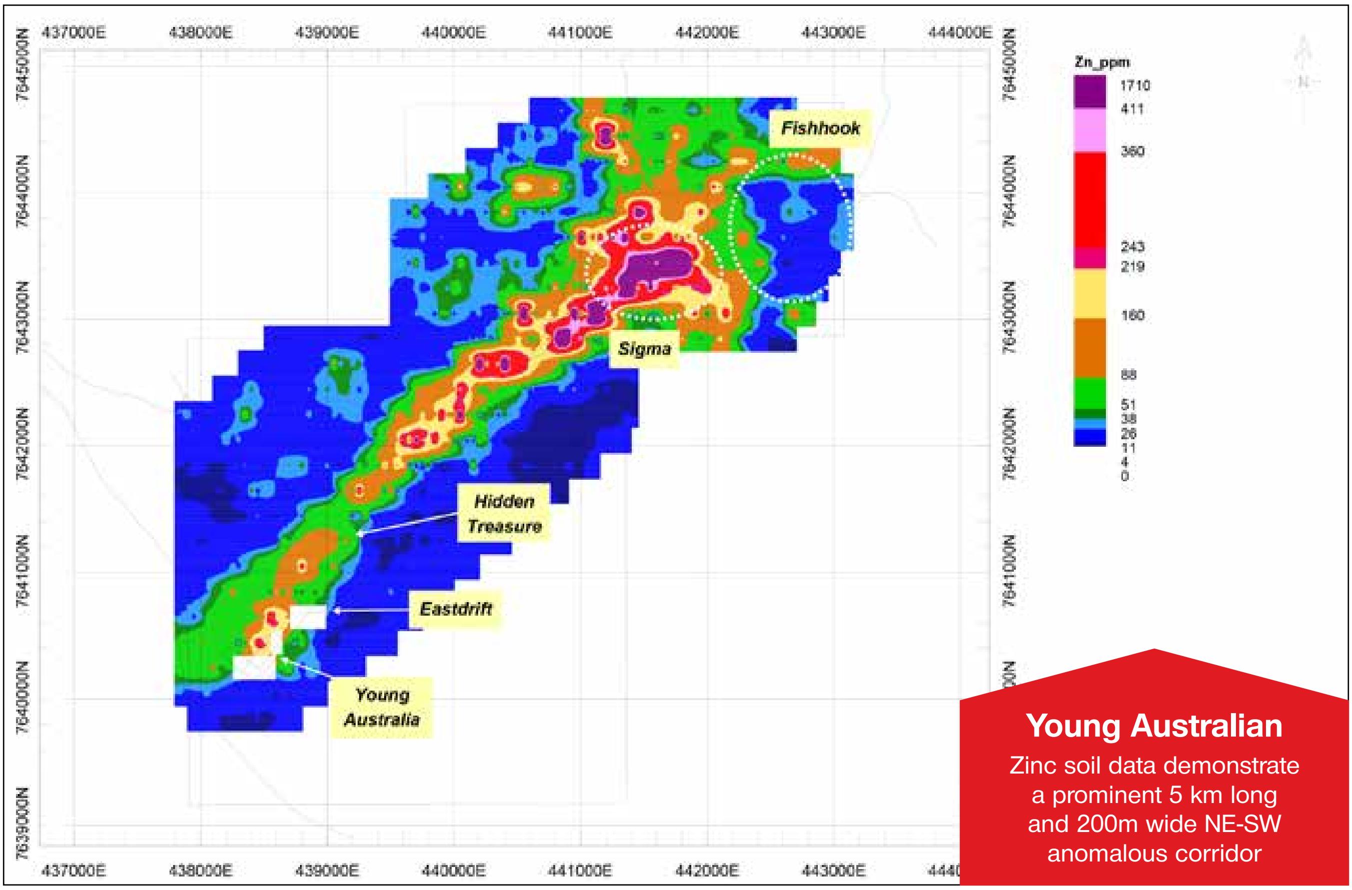
Previous operations
Young Australian open cut copper mine, 12km southwest of Kuridala.

Young Australian

access to explore and mine following the 19km^2 Young Australian agreement with Ivanhoe

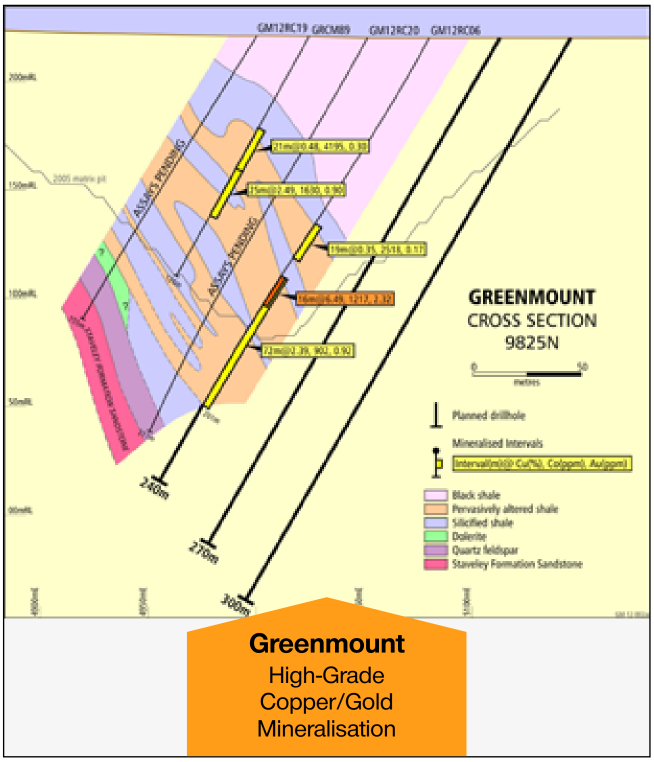
Young Australian

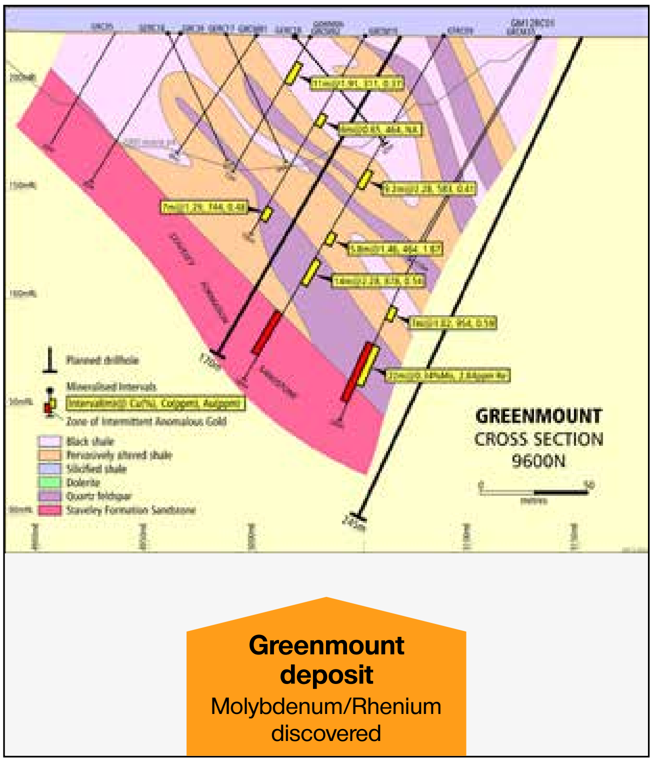
- **potential to increase JORC resource up to 100% resulting from the current drilling program**



Young Australian

Zinc soil data demonstrate a prominent 5 km long and 200m wide NE-SW anomalous corridor





Greenmount – Cross section showing the significant copper intersection remains open at depth.

Cross section - molybdenum – rhenium mineralization discovered in the Greenmount deposit.

Greenmount Drilling

At Greenmount, 3,750 metres of RC drilling has been completed and 554 metres of PQ Diamond Metallurgical Core recovered. Drilling is continuing, both Diamond and RC, for a further 1,350 metres.

Recent drilling has identified the occurrence of molybdenum and rhenium. Associated with these minerals are also intersections of very low copper values. **See Map above.**

Additional Drilling Work

In addition to work carried on the Matrix ground and on the Young Australian, the Company has performed compliance drilling as announced from time to time and particularly at Horseshoe Project, Duck Creek, Surprise and Desolation. At Greenmount approximately 2,500 metres of additional drilling is planned.

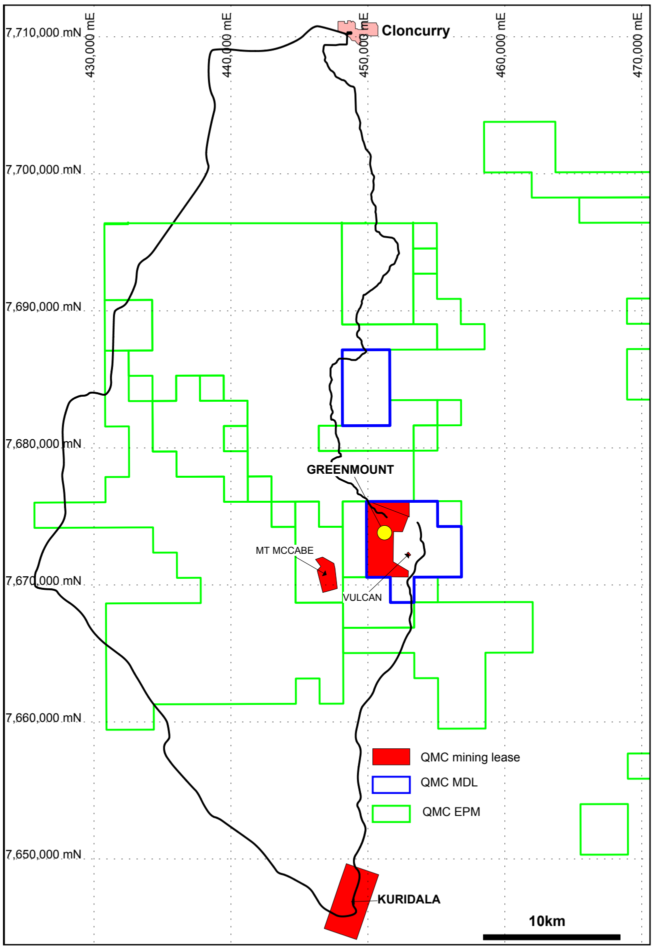
The drilling and assay programs undertaken have identified significant mineralisation comprising Copper, Gold, Cobalt with intersections of Molybdenum and Rhenium.

Additional Works Performed

The Company has carried out exploration strategy and deposit classification reviews on an annual basis, the most recent being January 2012.

In addition, the White Range Study update was prepared in March 2012. A development strategy report for 2012/2013 was prepared in May 2012. These reports have been augmented by the concept strategy reports prepared in August 2011 and August 2012.

Regional location of the Greenmount copper deposit.

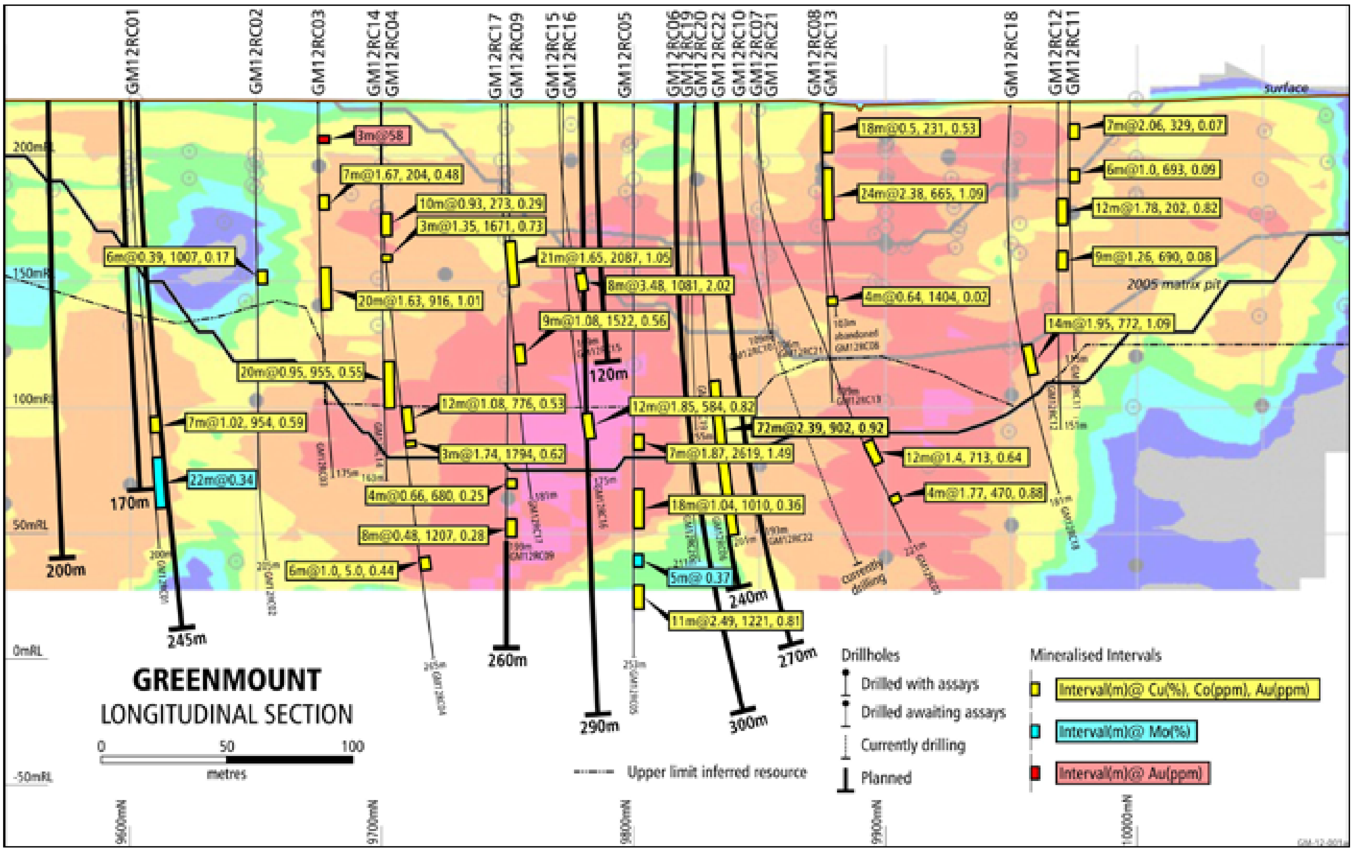


Dr Guojian Xu (General Manager Exploration) and Copper ore from previous mining operations at Young Australian, supporting the White Range Project.

Greenmount →

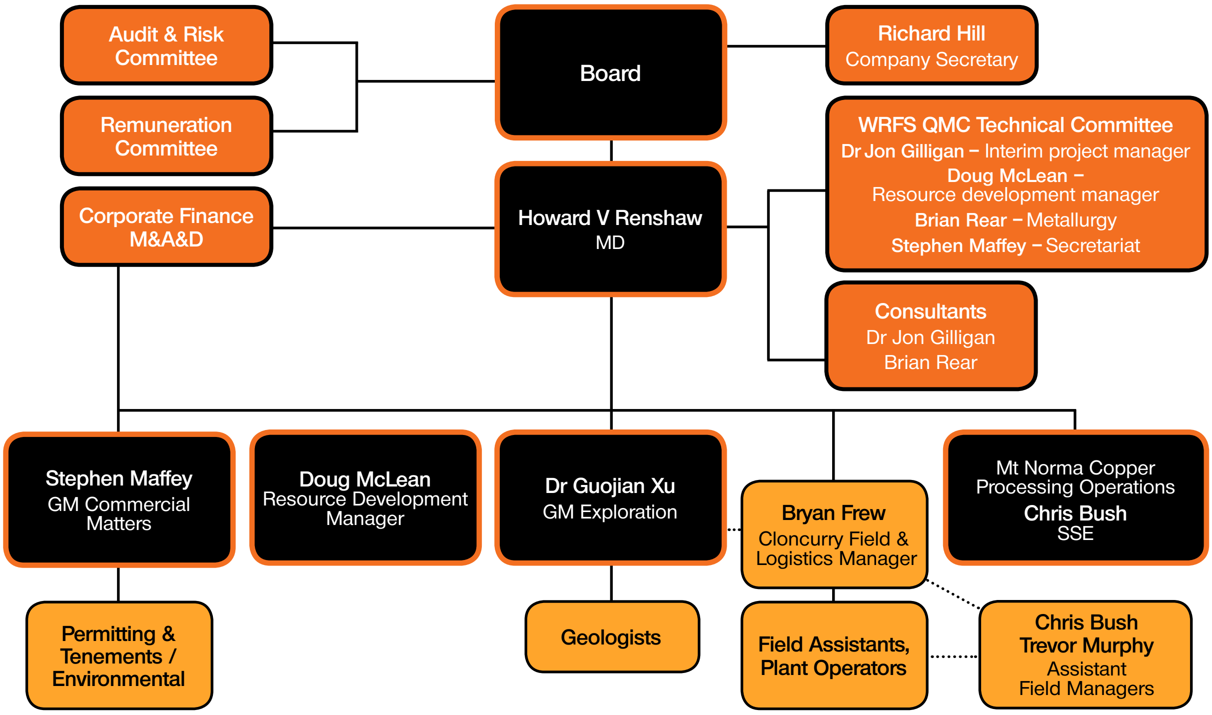
Exploration Strategy - Deposit classification
Significant Copper and Mo-Re intersections

Greenmount
recent drilling results
potential to increase
Copper + Gold
JORC resource



Long section showing the drill intersections from the initial 22 holes of the RC drill program and the further planned drill holes.

Queensland Mining Corporation Organisational Chart



I commend the exploration activities in the Company's annual report setting out some of the Company's achievements in more detail.

The Company holds 15,000Ha of MLs, MDLs and 1,500Km^2 of EPMs and has identified some 80 drill target prospects within the EPM's and MDL's.

Value of the Company

Management believes that at the end of the current field season, JORC Resources has the potential to increase significantly.

The chart on page 5 shows the Increased JORC Resources. The research report published by CK Locke & Partners on 1 July 2011 contained a formula valuing the target price of 28 cents per share for the Company. The Gold was not valued. I believe that notwithstanding the increase in the number of shares on issue since the date of that report, this could well be offset by the substantial increase in JORC Resources e.g. from the current drilling program from Greenmount and the Young Australian.

Senior Management & Staff

The Company is focused on developing the White Range Project towards production. To support this initiative, the Company has employed Mr Douglas McLean, Manager Resource Development for the White Range Project (with extensive experience in Resource Drilling and Resource Definition) and Mr. Stephen Maffey, General Manager, commercial and tenement matters.

I wish to thank them both very much for their hard work and significant contribution to the development of the Company.

I wish to thank most sincerely the Company's management team for their hard work, and diligence over the past year; Dr. Guojian Xu, General Manager Exploration for his continued dedication to the development of the Company's resources and the exploration team that he leads; to the small and dedicated administrative, and accounting team at head office, I thank them all for their very long hours and valuable support of the Company's interests.

To my Chairman and fellow directors, thank you for your support and the great interest you have taken in the development of QMC's Projects.

On behalf of the directors and all staff, I wish to thank our shareholders for their continued support and patience as the Company develops its substantial JORC Resource which supports the evaluation of the White Range Project towards production.

In conclusion, the White Range Project area including the Young Australian Project will be QMC's prime focus and priority over the forthcoming year.

Howard V. Renshaw
Managing Director

Directors' Report

Your Directors present this report on the Group for the financial year ended 30 June 2012.

Directors

The following persons were Directors of the Group during the whole financial year and up to the date of this report unless otherwise stated:

Mr David Usasz

Mr Howard Renshaw

Mr Richard Hill

Mr Brian Rear

Mr Robert (Bob) Besley (Appointed 16 March 2012)

Ms Cathie Wu (alt. to Mr Besley, Appointed 16 March 2012)

Company Secretary

The following person held the position of company secretary at the end of the financial year:

Richard Hill, who holds Bachelor of Commerce Degree and is a fellow of the Institute of Chartered Accountants in Australia. He is a senior partner of DFK – Richard Hill, Chartered Accountants and Business Advisory Services. He has extensive expertise in the copper/gold sector in Australia and PNG. He currently provides secretarial and corporate advisory services to a number of listed Australian companies including the Group.

Principal Activities

The principal activities of the Group during the financial year was the exploration for and evaluation of mineral resources.

Operating Results

The Group's loss for the year after providing for income tax amounted to $7,127,920 (2011: $4,013,548). This loss includes impairment losses of $2,481,104 (2011: nil).

Dividends Paid and Recommended

There is no dividend paid or recommended during the financial year.

Review of Operations

Exploration Activities

During the past financial year, the Company continued exploration activities with the discovery of high-grade sulphide mineralisation at the Horseshoe/Dulce prospect. The Company completed drilling at its mining leases at Mountain Maid, New Dollar and Forget Me Not in the Duck Creek project area. Drilling was also undertaken at Just There, Morris Creek, Toby Barty, Desolation, Surprise and Greenmount.

At Desolation, the Company encountered encouraging mineralisation of copper with gold and cobalt and has announced a JORC resource estimate of 1.94Mt @ 0.66% Cu (12,875t), 0.05% Co (2.136m lb) and 0.2 g/t Au (12,353oz).

The geological team led by Dr Guojian Xu, General Manager, Exploration together with Dr Jon Gilligan continued to develop an exploration strategy, deposit classification and drilling program in excess of 50,000 metres, focusing on Greenmount, Young Australian, Kuridala and Vulcan for the forthcoming two drilling seasons and also carried out the successful drill programs referred to above. Further, the geological team carried out significant soil sampling, geological evaluation and mapping across a number of tenements.

The current JORC resources at 30 June 2012 – 36.4 Mt @ 0.7% Cu, 0.03% Co, 0.17g/t Au under 0.2 % Cu cut-off contains 269,000t copper, 24.48m lbs cobalt and 200,900oz gold (with exception of Flamingo which is 1% cut-off) together with gold in Mt Freda, 1.6Mt @ 1.7 g/t Au for 89koz and in Gilded Rose, 143 kt @4.2 g/t Au for 19 koz (please refer to JORC categories and classification released to the ASX on 7 August 2012).

QMC has a degree of confidence that the current JORC resource will be increased significantly as a result of these drilling programs.

The appointment of Douglas McLean to the new position of Resource Development Manager for QMC and the White Range Project is significant as he is a highly experience geologist with extensive multi-commodity experiences. Mr McLean is experienced not only in resource planning and drilling, but also in mine and design and block modelling. He will bring great knowledge and provides valuable assistance to Dr Guojian Xu as QMC develops its flagship White Range Project and resources.

Calder Maloney Pty Ltd was appointed as Consulting Engineers and Project Study Managers for the White Range feasibility study upgrade and as at this stage have completed phase 1 and part of phase 2 which is in the process of being reviewed by QMC's internal technical committee.

Golder Associates were retained as White Range Feasibility Study resource estimation consultants for Greenmount, Kuridala, Mt McCabe, Vulcan and Young Australian deposits.

QMC entered into 3 agreements with Ivanhoe* which will significantly enhance its White Range Project and from an exploration point of view it opens up a significantly expanded opportunity for the Young Australian Project through an option of 5 years to explore within 6 sub blocks of Ivanhoe's EPM 18912.

QMC's focus in the forthcoming year is summarised as follows:

- Continue RC and Diamond drilling (met recovery) to increase JORC resources and categories at White Range and Young Australian Project areas
- Continue with the White Range feasibility study
- Continue with general exploration on EPMs; and
- Carry out internal scoping studies on the Mt Freda/Gilded Rose project area and the permitting of the Mt Norma copper processing plant with a view to re-commencing production.

* These agreements are subject to conditions precedent.

Financial Position

During the year, the Group issued 28,200,000 shares to Tulla Resources Group Pty Ltd and raised $1,551,000 and issued 78,200,000 shares to Great Tang Brothers Resource Investment Pty Ltd and raised $4,301,000. The share consideration were applied to working capital, RC and diamond(met) drilling, exploration, geological evaluation and Calder Maloney/White Range feasibility study upgrade, and mining tenement maintenance and retention costs.

In July 2011, the Group secured a $3 million loan from Tulla Resources Group Pty Ltd. The loan is unsecured and will provide funds for working capital, the drilling program and updating the bankable feasibility study for the White Range project. Interest is charged on this loan at 10% p.a. and is repayable in October 2012. Tulla Resources Group is willing to extend the repayment until 30 November 2013 subject to certain conditions precedent which are currently being finalised.

During the year, the Directors carried out a review on the carrying value of the Group's assets and based on that review, the Group had recognised an impairment loss of $2,481,104. Details of the impairment loss are in the accompanied financial statements.

Environmental Issues

The Group is aware of the alleged non-compliance of certain of its environmental authorities (EA's). The Company has addressed a number of the matters and continues to discuss outstanding issues with DEPH. No enforcement action is contemplated in relation to these matters.

Significant Changes in State of Affairs

The Group entered into three agreements with Ivanhoe Cloncurry Mines Pty Ltd(Ivanhoe), a wholly owned subsidiary of Ivanhoe Australia Limited (ASX: IVA).

After Balance Date Events

In September 2012, the Company has placed a total of 151,564,121 shares at $0.033 per share to raise $5,001,616 to fund White Range feasibility study, on-going resource and metallurgical drilling and for general working capital. The current issued capital as at 28 September is 664,456,152.

The repayment of Tulla Resources Group Loan of $3 million has been agreed to be extended to 30 November 2013 on terms and conditions currently being finalised.

Likely Developments and Expected Results of Operations

The Group has completed an initial resource estimate for its Desolation copper prospect within the Company's flagship White Range Project. Maiden indicated and inferred JORC Resource estimate is 1,940,000tonne @0.66% Cu, 0.05% Co and 0.2g/t Au.

Other than as referred to in this Report any further information as to the likely developments in the operations of the Group and the likely results of those operations, would in the opinion of the Directors be speculation and would not be in the best interest of the Group.

Information on Directors

Mr David Usasz *B Com, FCA*

Independent, Non-Executive Chairman

(appointed a director on 15 June 2007)

David Usasz was a corporate finance partner with PricewaterhouseCoopers for more than 20 years. He gained extensive experience in Asia and Australia in International tax, mergers and acquisitions. He holds a Bachelor of Commerce and is a fellow of the Institute of Chartered Accountants. David is also a non-executive director of Ambre Energy Ltd (since January 2008), Cromwell Property Group (since July 2007) and non-executive director of Queensland Investment Corporation Limited (since November 2011) which is a Queensland Government owned corporation.

Former directorships (in the last 3 years): None

Mr Howard Renshaw

Managing Director and Deputy Chairman

(appointed a director on 8 July 2004)

Howard Renshaw founded QMC and has been active in building the Company's business plan. Howard has extensive experience in Corporate and Capital Markets, funding of Mining, Oil and Gas mergers and acquisitions, and feasibility studies for major mining projects. He has been appointed by governments for major restructuring of infrastructure and operations at ports, rail lines, railways and related industries.

Howard has also represented the agricultural industry at State and Federal level in Australia and former director of the NSW Grain Handling Authority for 7 years.

Former directorships (in the last 3 years): None

Mr Richard Hill B Com, FCA

Executive Director

(appointed a director on 01 October 2009)

Richard holds Bachelor of Commerce Degree and is a fellow of the Institute of Chartered Accountants in Australia. He is a senior partner and director of DFK – Richard Hill Pty Ltd, Chartered Accountants and Business Advisory Services. He has extensive expertise in the copper/gold sector in Australia and PNG. He currently provides secretarial and corporate advisory services to a number of listed Australian companies.

Former directorships (in the last 3 years): None

Mr Brian Rear

Independent Non-Executive Director

(appointed a director on 19 May 2011)

Brian is a graduate of the Western Australian School of Mines (AWASM Metallurgy), The Royal School of Mines (MSc London, DIC, Mineral Process Design) and holds a Master Degree in Business Leadership (MBL) from the Business School of the University of South Africa. He is a member of the Australian Institute of Company Director, MAICD. Brian has extensive internationally work and management experience. He has first-hand experience in copper processing and metallurgical recovery, gold, uranium, base metals, thermal coal, mineral sands and industrial minerals. Brian was a founding director of CEO of Straits Resources Limited. Brian is the current Chief Executive Officer of Millennium Minerals Ltd since September 2009.

Former directorships (in the last 3 years): None

Mr Robert (Bob) Besley

Independent Non-Executive Director

(appointed a director on 16 March 2012)

Robert holds a Bachelor of Science (Hons) in Geology from the University of Adelaide. He is currently Chairman of Silver City Minerals Ltd, a director of Erin Mineral Resources Pty Ltd and a non-executive director of KBL Mining Ltd. Robert is a former deputy chairman of the NSW Minerals Council. He founded and was managing Director of CBH Resources Ltd. Robert is a highly respected geologist with over 45 years experiences in the mineral industry in Australia and internationally.

Former directorships (in the last 3 years): None

Ms Cathie Wu

Alternate director to Mr Robert Besley.

(appointed an alternate director on 16 March 2012)

Cathie holds a Bachelor of Science from Fudan University and a MPhil (Research) in InfSys from the University of New South Wales. She has a strong background in business analysis and was formerly a project development manager at UBS SDIC Fund Management Company in China. For the past 5 years Cathie has been involved in corporate analysis and investment in the mining industry. Cathie is currently a director of THTF Australia Mining Pty Ltd.

Former directorships (in the last 3 years): None

Directors' Meetings

The number of Directors meetings and number of meetings attended by each of the Directors of the Company during the financial year are:

	Director's Meetings	
Director	**Entitled to Attend**	**Attended**
Mr David E Usasz	10	10
Mr Howard V Renshaw	10	10
Mr Richard Hill	10	10
Mr Brian Rear	10	9
Mr Robert Besley	4	4
Ms Cathie Wu	3	3

	Audit Committee Meetings	
Director	**Entitled to Attend**	**Attended**
Mr David E Usasz	2	2
Mr Richard Hill	2	2

	Remuneration Committee Meetings	
Director	**Entitled to Attend**	**Attended**
Mr David E Usasz	1	1
Mr Richard Hill	1	1

Remuneration Report (Audited)

This report details the nature and amount of remuneration for each key management person of Queensland Mining Corporation Ltd, and the executives receiving the highest remuneration.

Remuneration Policies

The remuneration policy, which sets the term and conditions for the key management personnel, was developed by the remuneration committee after seeking professional advice from independent consultants and was approved by the Board. All executives receive a base salary, superannuation, fringe benefits, performance incentives and retirement benefits. The remuneration committee reviews executive packages annually by reference to Group performance, executive performance, comparable information from industry sectors and other listed companies and independent advice. The performance of executives is measured against criteria agreed half yearly which is based on the forecast growth of the Group's profits and shareholders value. The policy is designed to attract the highest calibre executives and reward them for performance which results in long-term growth in shareholder value.

Executives are also entitled to participate in the employee share and option arrangements.

The amount of remuneration for all key management personnel for the Group, including all monetary and non-monetary components, are detailed in the directors report under the heading Detail of Remuneration below. All remuneration paid to executives is valued at the cost to the Company and expensed. Shares given to executives are valued as the difference between the market price of those shares and the amount paid by the executive. Options are valued using the Black-Scholes methodology.

The Board expects that the remuneration structure implemented will result in the Group being able to attract and retain the best executives to run the consolidated group. It will also provide executives with the necessary incentives to work to grow long-term shareholder value.

The payment of bonuses, options and other incentive payments are reviewed by the remuneration committee annually as part of the review of executive remuneration and a recommendation is put to the Board for approval. All bonuses, options and incentives must be linked to predetermined performance criteria. The Board can exercise its discretion in relation to approving incentives, bonuses and options and can recommend changes to the committee's recommendations. Any changes must be justified by reference to measurable performance criteria.

Key management personnel receive a superannuation guarantee contribution required by the government, which is currently 9%. Some individuals, however, may choose to sacrifice part of their salary to increase payments toward superannuation.

All remuneration paid to key management is valued at cost to the Group and expensed.

In accordance with best practice corporate governance, the structure of non-executive directors and executive remunerations are separate.

Non-executive Directors Remuneration

Fees and payments to non-executive directors reflect the demands which are made on, and the responsibilities of, the directors. Non-executive directors' fees and payments are reviewed annually by the Board. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to determination of his own remuneration. Non-executive directors do not receive share options or other incentives.

ASX listing rules requires that the aggregate non-executive directors remuneration shall be determined periodically by a general meeting. The most recent determination was at the Annual General Meeting held on 28 November 2011, where the shareholders approved an aggregate remuneration of $300,000.

Executive Remuneration

The Group and Company aims to reward executives with a level and mix of remuneration based on their position and responsibility, which is both fixed and variable.

The executive remuneration and reward framework has two components:

- Base salary: and
- Short-term discretionary performance bonus.

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, is reviewed annually by the Board, based on individual and business unit performance, the overall performance of the Group and comparable market remunerations.

Details of Remuneration

Amounts of Remuneration

Details of remuneration of the directors, other key management personnel (defined as those who have the authority and responsibility for planning, directing and controlling the major activities of the Group) and specified executives of the Group are set out below in the following tables.

The key management personnel of the Group consisted of the Directors of the Group.

2012	**Short-term benefits**				**Long-term benefit**		
Director	**Director's fee and salary $**	**Super-annuation $**	**Bonus $**	**Total $**	**Other $**	**Share-based payment $**	**Total $**
Executive Director							
Mr Howard V Renshaw	285,000	50,000	40,000*	375,000	–	–	–
Non-Executive Directors							
Mr David E Usasz	28,151	25,500	–	53,651	–	–	–
Mr Brian Rear	55,000	–	–	55,000	–	–	–
Mr Richard Hill	88,000**	–	–	88,000	–	–	–
Mr Robert Besley	16,000	–	–	16,000	–	–	–
Ms Cathie Wu	–	–	–	–	–	–	–
Total	**472,151**	**75,500**	**40,000**	**587,651**	**–**	**–**	**–**

* In relation to FY2011 for the successful acquisition and settlement of the White Range project in December 2010. Performance was assessed by the Remuneration Committee pursuant to the management/service contract.

** Including company secretary fee - $48,000.

2011	**Short-term benefits**				**Long-term benefit**		
Director	**Director's fee and salary $**	**Super-annuation $**	**Bonus* $**	**Total $**	**Other $**	**Share-based payment $**	**Total $**
Executive Director							
Mr Howard V Renshaw	280,000	50,000	60,000	390,000	–	–	–
Mr Richard Hill	146,667	–	–	146,667	–	–	–
Non-Executive Directors							
Mr David E Usasz	31,333	28,667	–	60,000	–	–	–
Mr Brian Rear	4,583	–	–	4,583	–	–	–
Total	**462,583**	**78,667**	**60,000**	**601,250**	**–**	**–**	**–**

* In relation to FY2010; performance was assessed by the Remuneration Committee pursuant to the management/service contract.

Option Holding

The number of options over ordinary shares in the parent entity held during the financial year be each director and other members of key management personnel of the consolidated entity, including their personally related parties is set out below;

Details of Remuneration (cont.)

Number of Options held by Key Management Personnel

	Balance at 30.06.11	Options granted	Options Exercised/ Expired	Balance at 30.06.12	Vested and Exercisable	Unvested
Mr David E Usasz	2,750,000	–	–	2,750,000	–	–
Mr Howard V Renshaw	3,250,000	–	–	3,250,000	–	–
Mr Brian Rear	–	–	–	–	–	–
Mr Richard Hill	1,000,000	–	–	1,000,000	–	–
Mr Robert Besley	–	–	–	–	–	–
Ms Cathie Wu	–	–	–	–	–	–
Total	**7,000,000**	**–**	**–**	**7,000,000**	**–**	**–**

Share Holding

The number of shares in the parent entity held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

Number of Shares held by Key Management Personnel

	Balance at 30.06.11	Acquired during the year	Disposed during the year	Balance at 30.06.12
Mr David E Usasz	1,500,000	900,000	–	2,400,000
Mr Howard V Renshaw	10,550,000	–	–	10,550,000
Mr Brian Rear	–	–	–	–
Mr Richard Hill	416,000	–	–	416,000
Mr Robert Besley	–	–	–	–
Ms Cathie Wu	–	–	–	–
Total	**12,466,000**	**900,000**	**–**	**13,366,000**

Management Service Agreements

Remuneration and other terms of employment for key management personnel are formalised in services agreement. Details of these agreements are as follows:

Name:	Howard V Renshaw
Title:	Managing Director
Term commenced:	27 November 2011
Term of agreement:	3 years
Details:	Base salary for the year ended 30 June 2012 of $285,000 plus superannuation to be reviewed annually by the Nomination and Remuneration Committee. 12 month termination notice by either party.

Share based payment compensation

Issue of Shares

There were no shares issued to directors or key management personnel as part of their compensation during the year.

Options

There were no options issued to directors or key management personnel as part of their compensation during the year.

Additional information

Key management personnel compensation is not linked to shareholder wealth generation.

This concludes the Remuneration Report which has been audited.

Indemnification

The Group is required to indemnify the Directors and other officers of the Group against any liabilities incurred by the Directors and officers that may arise from their position as Directors and officers of the Group. No costs were incurred during the year pursuant to this indemnity.

Proceedings on behalf of the Group

No person has applied to the Court under section 237 of the Corporation Act 2001 for leave to bring proceedings on behalf of the Group or to intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings. There were no such proceedings brought or responsibility on behalf of the Group for all or part of those proceedings.

The Group has entered into a deed of indemnity with each director whereby, to the extent permitted by the Corporations Act 2001, the company agreed to indemnify each director against all loss and liability incurred as an officer of the Group, including all liability in defending any relevant proceedings.

Auditors

BDO East Coast Partnership (formerly known as PKF) will continue in office in accordance with the requirements of the Corporations Act 2001.

Non-audit services

The Group may decide to employ the auditors on assignments additional to their statutory audit duties where the auditors' expertise and experience with the Group and/or Queensland Mining Corporation Limited are important.

Details of amounts paid or payable to the auditors, BDO, for audit and non-audit services provided during the year are set out below:

	2012 $	2011 $
Audit Services		
BDO – Audit and review of financial reports	61,750	63,750

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

Yours faithfully,

David Usasz
Chairman

Howard Renshaw
Managing Director

Corporate Governance Statement

The Board of directors of Queensland Mining Corporation is responsible for establishing the corporate governance framework of the consolidated entity having regard to the ASX Corporate Governance Council (CGC) published guidelines as well as its Corporate Governance Principles and Recommendations ("Recommendations"). The Board guides and monitors the business and affairs of the Company on behalf of the shareholders by whom they are elected and to whom they are accountable.

The Board seeks, where appropriate, to adopt without modification, the Recommendations. Where there has been any variation from the Recommendations, it is because the Board believes that the Company is not as yet of size, nor are its financial affairs of such complexity, to justify some of these Recommendations. The Board is of the view that with the exception of the departures to the Council's Corporate Governance Principles and Recommendations as are set out below, it otherwise complies with all of the Council's Corporate Governance Principles and Recommendations during the year ended 30 June 2012.

The following table briefly addresses each recommendation made by the Corporate Governance Principles and Recommendations.

ASX Principles and Recommendations	Summary of position of the Company
Principle 1 – Lay solid foundations for management and oversight Companies should establish and disclose the respective roles and responsibilities of board and management	
Recommendation 1.1 – Companies should establish the functions reserved to the board and those delegated to senior executives and disclose those functions.	The Board has approved a formal charter that details their functions and responsibilities. The charter includes a formal statement of the area of authority delegated to senior executives.
Recommendation 1.2 – Companies should disclose the process for evaluating the performance of senior executives.	The Remuneration and Nomination Committee is responsible for the evaluation and review of performance of individual executives against measurable and qualitative indicators, to be established by the committee.
Recommendation 1.3 – Companies should provide the information indicated in the Guide to reporting on Principle 1.	The Company will report and address any departures from Recommendations 1.1, 1.2 and 1.3 in its future annual reports and on its website.
Principle 2 – Structure Board to Add Value Companies should have a board of an effective composition, size and commitment to adequately discharge its responsibilities and duties	
Recommendation 2.1 – A majority of the board should be independent directors.	While the Company does not presently comply with this Recommendation 2.1, the Company may consider appointing further independent directors in the future. The Company is of the view that given the current size and scale of its operations, non-compliance with Recommendation 2.1 will not be detrimental to the Company.
Recommendation 2.2 – The chair should be an independent director.	Mr David Usasz continues as the Company's independent Chairman.
Recommendation 2.3 – The roles of chair and chief executive officer should not be exercised by the same individual.	Mr David Usasz holds the position of Chair while the position of CEO is held by Mr Howard Renshaw.
Recommendation 2.4 – The board should establish a nomination committee.	A committee has been established to provide advice, recommendations and assistance to the board, with regards to remuneration policies and identifying nominees for senior appointments.
Recommendation 2.5 – Companies should disclose the process for evaluating the performance of the board, its committees and individual directors.	The committee will evaluate the performance of the board and individual directors against both measurable and qualitative indicators, established by the committee. The committee will review its performance from time to time and whenever there are major changes to the management of the company.

ASX Principles and Recommendations	Summary of position of the Company
Recommendation 2.6 – Companies should provide the information indicated in the Guide to reporting on Principle 2.	The Company will report and address any departures from Recommendations 2.1 to 2.6 in its future annual reports and on its website.
Principle 3 – Promote Ethical and Responsible Decision Making Companies should actively promote ethical and responsible decision-making	
Recommendation 3.1 – Companies should establish a code of conduct and disclose the code or a summary of the code as to: – The practices necessary to maintain confidence in the company's integrity – The practices necessary to take into account their legal obligations and the reasonable expectations of the stakeholders – The responsibility and accountability of individuals for reporting and investigating reports of unethical practices	The Company has established a Corporate Code of Conduct which regulates the Company's external dealings and dealings with Shareholders. All executives and employees are required to abide by laws and regulations, to respect confidentiality and the proper handling of information and act with the highest standards of honesty, integrity, objectivity and ethics in all dealings with each other, the Company, its Shareholders, customers, suppliers and the community. The code of conduct will be regularly reviewed and updated as necessary to ensure they reflect the highest standards of behaviour and professionalism.
Recommendation 3.2 – Companies should establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the Board to establish measureable objectives for achieving gender diversity for the Board to assess annually both the objectives and progress in achieving them.	Due to the current size and scale of its operations, the Company did not comply with Recommendation 3.2 at 30 June 2012. The Company has since adopted a diversity policy. The Company is of the view that non-compliance with Recommendation 3.2 will not be detrimental to the Company.
Recommendation 3.3 – Companies should disclose in each annual report the measurable objectives for achieving gender diversity set by the board in accordance with the diversity policy and progress towards achieving them.	Due to the current size and scale of its operations, the Company is unable to comply with Recommendation 3.3. The Company is of the view that non-compliance with Recommendation 3.3 will not be detrimental to the Company.
Recommendation 3.4 – Companies should disclose in each annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the Board.	The company will provide this information in its future Annual Reports. The Company is of the view that non-compliance with Recommendation 3.4 will not be detrimental to the Company.
Recommendation 3.5 – Companies should provide the information indicated in the Guide to reporting on Principle 3.	The Company will report and address any departures from Recommendations 3.1 to 3.5 in its future annual reports and on the Company's website.
Principle 4 – Safeguard Integrity in Financial Reporting Companies should have a structure to independently verify and safeguard the integrity of their financial reporting	
Recommendation 4.1 – The Board should establish an audit committee.	The company has established an Audit and Risk Management Committee to assist the board with monitoring and reviewing financial controls, the competency of internal and external auditors and the company's risk policies.

ASX Principles and Recommendations	Summary of position of the Company
Recommendation 4.2 – The audit committee should be structured so that it: – Consists only of non-executive directors – Consists of a majority of independent directors – Is chaired by an independent chair, who is not chair of the board – Has at least three members	Due to the current structure of the board, the Company is unable to fully comply with Recommendation 4.2. The Company is satisfied however that the current composition of committee members is adequate and that non-compliance with Recommendation 4.2 will not be detrimental to the Company.
Recommendation 4.3 – The audit committee should have a formal charter.	An Audit and Risk Management Committee Charter has been established and will govern the roles, responsibilities, composition and membership of the audit and risk management committee.
Recommendation 4.4 – Companies should provide the information indicated in the Guide to reporting on Principle 4.	The Company will report and address any departures from Recommendations 4.1 to 4.4 in its future annual reports.
Principle 5 – Make Timely and Balanced Disclosure Companies should promote timely and balanced disclosure of all material matters concerning the company	
Recommendation 5.1 – Companies should establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior executive level for that compliance and disclose those policies or a summary of those policies.	The Board has adopted a formal continuous disclosure policy which sets out in its obligations in respect of continuous disclosure under the Corporations Act 2001 (Cth) and the ASX Listing Rules. The Directors are committed to keeping the market fully informed of material developments to ensure compliance with the Corporations Act. Executive Directors, in conjunction with all Non-Executive Directors, are charged with the day-to-day disclosure to the market of any information in relation to the on-going exploration activities of the Company.
Recommendation 5.2 – Companies should provide the information indicated in the Guide to reporting on Principle 5.	The Company will report and address any departures from Recommendations 5.1 and 5.2 in its future annual reports and on its website.
Principle 6 – Respect the Rights of Shareholders Companies should respect the rights of shareholders and facilitate the effective exercise of those rights	
Recommendation 6.1 – Companies should design a communications policy for promoting effective communications with shareholders and encouraging their participation at general meetings and disclose their policy or a summary of that policy.	The Board has established a formal code of conduct setting out the Company's obligations to stakeholders including shareholders.
Recommendation 6.2 – Companies should provide the information indicated in the Guide to reporting on Principle 6.	The Company will report and address any departures from Recommendations 6.1 and 6.2 in its future annual reports and on its website.
Principle 7 – Recognise and Manage Risk Companies should establish a sound system of risk oversight and management and internal control	
Recommendation 7.1 – Companies should establish policies for the oversight and management of material business risks and disclose a summary of those policies.	The company's risk management policies are incorporated in the Audit and Risk Management Committee Charter.

ASX Principles and Recommendations	Summary of position of the Company
Recommendation 7.2 – The board should require management to design and implement the risk management and internal control system to manage the company's material business risks and report to it on whether those risks are being managed effectively. The board should disclose that management has reported to it as to the effectiveness of the company's management of its material business risks.	Ultimate responsibility for risk oversight and risk management rests with the full board, notwithstanding the establishment of the committee.
Recommendation 7.3 – The board should disclose whether it has received assurance from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system us operating effectively in all material respects in relation to financial reporting risks.	The board will disclose in its annual report and on its website whether it has received assurance from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system us operating effectively in all material respects in relation to financial reporting risks.
Recommendation 7.4 – Companies should provide the information indicated in the Guide to reporting on Principle 7.	The Company will report and address any departures from Recommendations 7.1 to 7.4 in its annual reports and on its website.
Principle 8 – Remunerate Fairly and Responsibly Companies should ensure that the level and composition of remuneration is sufficient and reasonable and that its relationship to performance is clear	
Recommendation 8.1 – The Board should establish a remuneration committee.	A committee has been established to provide advice, recommendations and assistance to the board, with regards to remuneration policies and identifying nominees for senior appointments.
Recommendation 8.2 – The remuneration committee should be structured so that it: – Consists of a majority of independent Directors. – Is chaired by an independent chair. – Has at least three members.	Due to the current structure of the board, the Company is unable to fully comply with Recommendation 8.2. The Company is satisfied however that the current composition of committee members is adequate and that non-compliance with Recommendation 8.2 will not be detrimental to the Company.
Recommendation 8.3 – Companies should clearly distinguish the structure of non-executive director's remuneration from that of executive directors and senior executives.	The remuneration of Executive Directors is designed to motivate directors with the aim of enhancing the long-term growth and performance of the company. Non-executive directors' remuneration is generally fee based. They do not participate in remuneration schemes designed for executive directors or receive options, bonus payments or retirement benefits, other than statutory superannuation.
Recommendation 8.4 – Companies should provide the information indicated in the Guide to reporting to on Principle 8.	The Company will report and address any departures from Recommendations 8.1 to 8.4 (if any) in its annual reports and on its website.

Other Information

Further information relating the company's corporate governance practices and policies has been made publicly available on the company's website at www.qmcl.com.au

Auditor's Independence Declaration

Tel: 61 2 9251 4100
Fax: 61 2 9240 9821
www.bdo.com.au

Level 10, 1 Margaret St
Sydney NSW 2000
Australia

DECLARATION OF INDEPENDENCE BY GRANT SAXON TO THE DIRECTORS OF QUEENSLAND MINING CORPORATION LIMITED

As lead auditor of Queensland Mining Corporation Limited for the year ended 30 June 2012, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect Queensland Mining Corporation Limited and the entities it controlled during the year.

Grant Saxon
Partner

BDO East Coast Partnership

Sydney, 28 September 2012

2012
Financial Report

Contents

Consolidated Statement of Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2012

	Note	GROUP 2012 $	GROUP 2011 $
Research and development tax concession		**322,502**	–
Other Income		**–**	7,331
Profit from sale of asset		**–**	22,287
Interest received		**82,701**	65,557
Accountancy fees		**(129,318)**	(160,284)
Auditor's remuneration		**(61,750)**	(63,750)
Corporate development expenses		**(306,409)**	(75,937)
Depreciation expense		**(457,510)**	(469,375)
Exploration expenses		**(302,231)**	(181,890)
Employee expenses		**(823,024)**	(516,569)
Impairment of assets	2	**(2,000,000)**	–
Prepayment Write-off	7	**(481,104)**	–
Interest expense		**(298,828)**	(52,168)
Management fees		**(688,234)**	(406,000)
Other expenses	2	**(1,984,715)**	(2,182,750)
Loss before income tax expense		**(7,127,920)**	(4,013,548)
Income tax expense	3	**–**	–
Loss for the year		**(7,127,920)**	(4,013,548)
Other comprehensive income		**–**	–
Total comprehensive income for the year		**(7,127,920)**	(4,013,548)
Loss per share from loss attributable to ordinary equity holders of the parent			
Basic and diluted loss per share	18	**(1.73 cents)**	(1.07 cents)

The above statements should be read in conjunction with the accompanying notes

Consolidated Statement of Financial Position

AS AT 30 JUNE 2012

	Note	GROUP 2012 $	2011 $
Assets			
Current Assets			
Cash and cash equivalents	6	**1,447,339**	996,320
Trade and other receivables	7	**745,390**	1,022,991
Inventories	8	**75,000**	75,000
Total Current Assets		**2,267,729**	2,094,311
Non Current Assets			
Property, plant and equipment	9	**4,518,171**	4,662,500
Mining licences	10	**16,966,063**	16,966,063
Exploration and evaluation expenditure	10	**15,086,398**	12,738,126
Total Non - Current Assets		**36,570,632**	34,366,689
Total Assets		**38,838,361**	36,461,000
Current Liabilities			
Financial liabilities	13	**2,880,655**	–
Trade and other payables	11	**1,002,761**	472,962
Total Current Liabilities		**3,883,416**	472,962
Total Liabilities		**3,883,416**	472,962
Net Assets		**34,954,945**	35,988,038
Equity			
Issued capital	14	**62,089,732**	56,294,905
Share option reserve		**2,995,191**	2,695,191
Accumulated losses		**(30,129,978)**	(23,002,058)
Total Equity		**34,954,945**	35,988,038

The above statements should be read in conjunction with the accompanying notes

Consolidated Statements of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2012

	Note	Ordinary Share Capital $	Share Option Reserve $	Accumulated Losses $	Total $
Balance at 1 July 2010	14	47,712,444	2,651,631	(18,988,510)	31,375,565
Transactions with owners in their capacity as owners					
Shares issued during the year		8,911,417	–	–	8,911,417
Share issue costs		(328,956)	–	–	(328,956)
Options converted		–	–	–	–
Options issued		–	43,560	–	43,560
		56,294,905	2,695,191	(18,988,510)	40,001,586
Comprehensive income for the year		–	–	(4,013,548)	(4,013,548)
Balance at 30 June 2011		56,294,905	2,695,191	(23,002,058)	35,988,038
Transactions with owners in their capacity as owners					
Shares issued during the year		6,131,000	–	–	6,131,000
Share issue costs		(336,175)	–	–	(336,175)
Options converted		2	–	–	2
Options issued	14	–	300,000	–	300,000
		62,089,732	2,995,191	(23,002,058)	42,082,865
Comprehensive income for the year		–	–	(7,127,920)	(7,127,920)
Balance at 30 June 2012		**62,089,732**	**2,995,191**	**(30,129,978)**	**34,954,945**

The above statements should be read in conjunction with the accompanying notes

Consolidated Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2012

	Note	GROUP 2012 $	 2011 $
Cash Flows from Operating Activities			
Payments to suppliers and employees		**(3,391,022)**	(3,371,609)
Interest received		**82,701**	65,557
Interest paid		**(224,034)**	(52,168)
Net cash used in operating activities	15	**(3,532,355)**	(3,358,220)
Cash Flows from Investing Activities			
Purchases of property, plant and equipment		**(313,181)**	(16,561)
Proceeds from sale of plant & equipment		**–**	50,000
Payments for exploration and evaluation and mining licences		**(4,348,272)**	(4,907,709)
Net cash used in investing activities		**(4,661,453)**	(4,874,270)
Cash Flows from Financing Activities			
Net proceeds from issue of shares		**5,794,827**	5,778,945
Net Proceeds from loan		**2,850,000**	–
Repayments of borrowings		**–**	(1,000,000)
Net cash generated by financing activities		**8,644,827**	4,778,945
Net (decrease)/increase in cash held		**451,169**	(3,453,545)
Cash and cash equivalent at 1 July		**996,320**	4,449,865
Cash and cash equivalent at 30 June	6	**1,447,339**	996,320

The above statements should be read in conjunction with the accompanying notes

Notes to the Financial Statements

1 Statement of Significant Accounting Policies

These consolidated financial statements and notes represent those of Queensland Mining Corporation Limited and its subsidiaries (the "consolidated group" or "Group"). Queensland Mining Corporation Limited is incorporated and domiciled in Australia and is listed on the Australian Stock Exchange.

The financial statements are presented in English and Australian Dollars, which is the Group's functional and presentation currency.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001 as appropriate for-profit entities.

Compliance with IFRS

The financial statements and notes of Queensland Mining Corporation Limited comply with International Financial Reporting Standards (IFRS).

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets and certain other assets, where applicable.

Critical accounting estimates and judgements

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 1(p).

Parent entity information

In accordance with the Corporation Act 2001, these financial statements present the result of the Group only. Supplementary information about the parent is disclosed in Note 12.

a. Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Queensland Mining Corporation Ltd ("parent entity") as at 30 June 2012 and the result of all subsidiaries for the year then ended. Queensland Mining Corporation Ltd and its subsidiaries together are referred to in this financial report as the Group or the consolidated entity. A list of subsidiaries is contained in Note 12 to the financial statement statements.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date the control ceases.

All inter-group balances and transactions between entities in the Group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

b. Inventories

Inventories are measured at the lower of cost and net realisable value.

The cost of inventories include direct materials, direct labour, transportation costs and variable and fixed overhead costs relating to mining activities.

c. Trade Receivables

Trade receivables and other receivables are carried at amounts due less any allowance for specific doubtful debts.

d. Income Tax

The income tax expense (revenue) for the period comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the period as well unused tax losses. Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are recognised outside profit or loss.

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (a) a legally enforceable right of set-off exists; (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Queensland Mining Corporation Ltd and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The Group notified the Australian Taxation Office that it had formed an income tax consolidated group with effect from 1 July 2007. Each entity in the Group recognises its own current and deferred tax liabilities, except for any deferred tax liabilities resulting from unused tax losses and tax credits, which are immediately assumed by the parent entity. The current tax liability of each Group entity is then subsequently assumed by the parent entity.

Research and development tax concession

Research and development tax concession are deemed as income as and when the Group demonstrate that it has the right to the tax concession and that the likelihood of receipt is probable.

e. Impairment of Assets

At each reporting date, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

f. Employee Entitlements

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and sick leave when it is probable that settlement will be required and they are capable of being measured reliably.

Provisions made in respect of long service leave and other employee entitlements which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the Group in respect of services provided by employees up to the reporting date

Contributions made by the consolidated entity to employee superannuation funds are charged to expenses as incurred.

g. Exploration and Evaluation Expenditure

Exploration, evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

h. Mining licences

Mining licences are carried at cost less, where applicable, impairment losses.

The carrying amount of mining licences is reviewed annually by the Directors to ensure that the recoverable amount of the assets, are not in excess of their carrying value.

i. Share based payments

The Group from time to time may issue equity-settled share-based payments. The fair value of the share-based payments is measured at grant date and recognised as expenses over the vesting period, with a corresponding increase to an equity account. The fair value of shares is ascertained as the market bid price. The fair value of option is ascertained using a Black-Scholes pricing model which incorporates all market vesting conditions. The number of shares and options to vest is reviewed and adjusted at each reporting date such that the amount recognised for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

j. Plant and Equipment

Plant and equipment are carried at cost less, where applicable, any accumulated depreciation and impairment losses.

1 Statement of Significant Accounting Policies Continued

Depreciation

Plant and equipment, are depreciated over their estimated useful lives ranging from 3 to 40 years to write off the net cost of each asset during its expected useful life. The straight line method of depreciation is used.

Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time an asset is completed and held ready for use.

k. Accounts Payable

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the Group.

l. Financial Assets and Liabilities

The fair values of the Group's financial assets and liabilities approximate their carrying amounts.

m. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short term highly liquid investment with original maturities of three months or less, and bank overdraft.

n. Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated in the Statement of Financial Position inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Statement of Financial Position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cashflows.

o. Financial Instruments

Recognition and Initial Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting adopted for financial assets that are delivered within time frames established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the Group is no longer has any significant continuing involvement in the risks and benefits associated with the assets.

Financial liabilities are derecognised where related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Classification and Subsequent Measurement

– *Loans and receivables*

  Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

– *Held to maturity investments*

  Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

– *Financial liabilities*

  Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

p. Critical Accounting Estimates and Judgements

The Directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Key estimate – impairment

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an indicator of impairment exists, the recoverable amount of the asset is determined. Fair value assessments and value-in-use calculations are performed in assessing the recoverable amount and incorporate a number of key estimates.

Key judgements – provision for impairment of receivables

Included in accounts receivable at 30 June 2012 is an amount receivable from Tennant Ltd for sales made during the previous financial year accounting to $306,735. The Directors believe that the full amount of the debt is recoverable, and therefore no allowances for doubtful debt have been made at 30 June 2012 (2011: nil).

q. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ("CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director.

r. Going concern

The Group recorded a loss from operations of $7,127,920 for the year ended 30 June 2012 (2011: $4,013,548) and had cash outflows from operations of $3,532,355 (2011: $3,358,220). At the reporting date the Group's current liabilities exceeded its current assets by $1,615,687. Current liabilities at reporting date included an unsecured loan of $2,880,655, which is due for repayment on 31 October 2012. Agreement has been reached to extend repayment of this loan until November 2013, subject to meeting certain conditions precedent.

The Directors believe that the Group is able to continue as a going concern based on the following:

a) After the reporting date, the Company successfully raised $5,001,616 through placement of shares. Each placement was at a premium over the market share price of at least 20%;

b) The Directors are in advanced discussions with major shareholders and potential investors to raise additional funds if required and are of the opinion that additional equity or debt finance is available should the need arise in the next 12 months; and

c) The Directors continue the ongoing and active management of expenditure incurred by the Group to protect current cash levels. In the unlikely event that unbudgeted costs are incurred, the Group has various alternatives available including the ability to reduce discretionary expenditure whilst additional finance is sought through capital raising arrangements or other means.

The Directors believe these strategies will ensure that the Group will continue as a going concern.

s. Accounting standards effective but not yet adopted

The following standards and amendments were available for early adoption but have not been applied by the Group in these financial statements. The Group does not anticipate early adoption of any of the following reporting requirements and does not expect these requirements to have any material effect on the Group's financial statements.

AASB amendment	Outline of amendment	Operative Date (Annual reporting periods beginning on or after)
AASB 9 Financial Instruments	Simplifies the classifications of financial assets into two categories: – Those carried at amortised cost; and – Those carried at fair value. Simplifies requirements related to embed derivatives that exist in financial assets that are carried at amortised cost, such that there is no longer a requirement to account for the embedded derivative separately. Removes the tainting rules associated with held-to-maturity assets. Investments in equity instruments that are not held for trade can be designated at fair value through other comprehensive income, with only dividends being recognised in profit and loss. Investments in unquoted equity instruments (and contracts on those investments that must be settled by delivery of the unquoted equity instrument) must be measured at fair value. However, in limited circumstances, cost may be an appropriate estimate of fair value.	1 January 2013

1 Statement of Significant Accounting Policies Continued

s. Accounting standards effective but not yet adopted (continued)

AASB amendment	Outline of amendment	Operative Date (Annual reporting periods beginning on or after)
AASB 10 Consolidation	AASB 10 replaces AASB 127 and 3 key elements of control. According to AASB 10 an investor controls an investee if and only if the investor has all the following: (a) power over the investee; (b) exposure, or rights, to variable returns from its involvement with the investee; and (c) the ability to use its power over the investee to affect the amount of the investor's returns. Additional guidance is provided in how to evaluate each of the three limbs above. While this is not a wholesale change from the current definition of control within AASB 127 (and for many entities no change in practice will result) some entities may be impacted by the change. The limbs above are more principle based rather than hard and fast rules.	1 January 2013
AASB 11 Joint Arrangements	AASB 11 replaces the AASB 131 Interests in Joint Ventures. The previous standard had 3 types of Joint ventures whereas AASB 11 only has two. These are: – Joint Operations; and – Joint Ventures. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Those parties are called joint operators. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Those parties are called joint venturers. Joint ventures must now be accounted for using the equity method of accounting. The option to proportionately consolidate a joint venture entity has been removed.	1 January 2013
AASB 12 Disclosure of Interests in Other Entities	AASB 12 provides the disclosure requirements for entities that have an interest in a subsidiary, a joint arrangement, an associate or an unconsolidated structured entity. As such, it pulls together and replaces disclosure requirements from many existing standards. The AASB requires an entity to disclose information that enables users of financial statements to evaluate: (a) the nature of, and risks associated with, its interests in other entities; and (b) the effects of those interests on its financial position, financial performance and cash flows.	1 January 2013

AASB amendment	Outline of amendment	Operative Date (Annual reporting periods beginning on or after)
AASB 13 **Fair Value Measurement**	AASB 13: (a) defines fair value; (b) sets out in a single IFRS a framework for measuring fair value; and (c) requires disclosures about fair value measurements. Fair value is defined as: "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price)".	1 January 2013
AASB 1053 **Application of Tiers of Australian Accounting Standards**	This Standard establishes a differential financial reporting framework consisting of two Tiers of reporting requirements for preparing general purpose financial statements: (a) Tier 1: Australian Accounting Standards; and (b) Tier 2: Australian Accounting Standards – Reduced Disclosure. Tier 2 comprises the recognition, measurement and presentation requirements of Tier 1 and substantially reduced disclosures corresponding to those requirements. For-profit entities in the private sector that have public accountability (as defined in this Standard) would apply Tier 1 requirements in preparing general purpose financial statements. For-profit private sector entities that do not have public accountability would apply either Tier 2 or Tier 1 requirements in preparing general purpose financial statements. **Public accountability** means accountability to those existing and potential resource providers and others external to the entity who make economic decisions but are not in a position to demand reports tailored to meet their particular information needs. A for-profit private sector entity has public accountability if: (a) its debt or equity instruments are traded in a public market or it is in the process of issuing such instruments for trading in a public market (a domestic or foreign stock exchange or an over-the-counter market, including local and regional markets); or (b) it holds assets in a fiduciary capacity for a broad group of outsiders as one of its primary businesses. This is typically the case for banks, credit unions, insurance companies, securities brokers/dealers, mutual funds and investment banks.	1 July 2013
AASB 2010-2	This Standard gives effect to Australian Accounting Standards – Reduced Disclosure Requirements. AASB 1053 provides further information regarding the differential reporting framework and the two tiers of reporting requirements for preparing general purpose financial statements.	1 July 2013

1 Statement of Significant Accounting Policies Continued

s. Accounting standards effective but not yet adopted (continued)

AASB amendment	Outline of amendment	Operative Date (Annual reporting periods beginning on or after)
AASB 2010-7	The Standard makes numerous amendments to Australian Accounting Standards and Interpretations listed above as a result of the amendments to AASB 9.	1 January 2013
AASB 2010-8	The amendments provide a practical approach for measuring deferred tax liabilities and deferred tax assets when investment property is measured using the fair value model in AASB 140 Investment Property. Under AASB 112, the measurement of deferred tax liabilities and deferred tax assets depends on whether an entity expects to recover an asset by using it or by selling it. However, it is often difficult and subjective to determine the expected manner of recovery when the investment property is measured using the fair value model in AASB 140. To provide a practical approach in such cases, the amendments introduce a presumption that an investment property is recovered entirely through sale. Interpretation 121 Income Taxes – Recovery of Revalued Non-Depreciable Assets addresses similar issues involving non-depreciable assets measured using the revaluation model in AASB 116 Property, Plant and Equipment. The amendments incorporate Interpretation 121 into AASB 112 after excluding investment property measured at fair value from the scope of the guidance previously contained in Interpretation 121.	1 January 2012
AASB 2010-9	The amendments in respect of severe hyperinflation provide guidance for entities emerging from severe hyperinflation either to resume presenting Australian-Accounting-Standards financial statements or to present Australian-Accounting-Standards financial statements for the first time.	1 July 2011
AASB 2010-10	The amendments to AASB 2009-11 will only affect early adopters of AASB 2009-11 (and AASB 9 Financial Instruments as issued in December 2009) as it has been superseded by AASB 2010-7 for annual reporting periods beginning on or after 1 January 2013.	1 January 2013
AASB 2011-1	These amendments are a consequence of Phase 1 of the joint Trans-Tasman Convergence project of the AASB and the FRSB. Phase 1 has addressed the harmonisation of financial reporting requirements across the Tasman in relation to for-profit entities that assert compliance with International Financial Reporting Standards (IFRSs). The Boards were keen to first address differences from IFRSs and between Australian and New Zealand Standards as they apply to for-profit entities, on the basis that such entities are the most likely to claim compliance with IFRSs and trade across the Tasman.	1 July 2011

1 Statement of Significant Accounting Policies Continued

s. Accounting standards effective but not yet adopted (continued)

AASB amendment	Outline of amendment	Operative Date (Annual reporting periods beginning on or after)
AASB 2011-2	AASB 1054 contains the Australian-specific disclosures that are in addition to International Financial Reporting Standards. AASB 2011-1 contains the related amendments to other Australian Accounting Standards. For example, some of the disclosure requirements previously in paragraphs Aus15.1-Aus15.3 and other paragraphs of AASB 101 are now included in AASB 1054 instead. This Standard makes amendments to AASB 1054 to introduce reduced disclosure requirements to that Standard for entities preparing general purpose financial statements under Australian Accounting Standards – Reduced Disclosure Requirements. These reflect the reduced disclosure requirements originally specified in AASB 2010-2 for AASB 101 disclosures that are now in AASB 1054.	1 July 2013
AASB 2011-4	This Standard makes amendments to Australian Accounting Standard AASB 124 Related Party Disclosures. These amendments arise from a decision of the AASB to remove the individual key management personnel (KMP) disclosures from AASB 124 on the basis they: – are not part of International Financial Reporting Standards (IFRSs), which include requirements to disclose aggregate (rather than individual) amounts of KMP compensation; – are not included in New Zealand accounting standards and, accordingly, their removal is consistent with meeting the 2010 Outcome Proposal of the Australian and New Zealand governments that for-profit entities are able to use a single set of accounting standards and prepare only one set of financial statements; – are considered by the AASB to be more in the nature of governance disclosures that are better dealt with as part of the Corporations Act 2001; – were originally included in AASB 124 when fewer similar disclosure requirements were included in the Corporations Act and, in many respects, relate to similar disclosure requirements currently in that Act and therefore detract from the clarity of the requirements applying in this area; and – could be considered (during the transition period for this Amending Standard) for inclusion in the Corporations Act or other legislation to the extent they presently go beyond the requirements in legislation and are considered appropriate in light of government policy.	1 July 2013

FOR THE YEAR ENDED 30 JUNE 2012

2 Expenses

	Note	GROUP 2012 $	GROUP 2011 $
Loss from continuing operations before income tax has been determined after:			
Accounting fees		**129,318**	160,284
Auditors' remuneration		**61,750**	63,750
Exploration expenses		**302,231**	181,890
Corporate development		**306,409**	75,937
Interest expense		**298,828**	52,168
Depreciation		**457,510**	469,375
Management fees		**688,234**	406,000
Prepayment write-off	7	**481,104**	–
Impairment of assets			
Exploration and evaluation expenditure	10	**2,000,000**	–
Employee expenses			
Wages and salaries		**567,693**	323,231
Other employment expenses		**151,471**	84,544
Superannuation		**103,860**	108,794
		823,024	516,569
Other expenses:			
Advisory services		**197,644**	227,416
Legal fees		**105,490**	123,996
Professional fees		**108,521**	532,979
Travel expenses		**231,337**	145,609
Marketing expenses & investor relation		**356,644**	199,268
Motor vehicle and bulldozer expenses		**73,044**	62,916
Share based payment		**220,370**	–
Rental of administration office and field office		**318,459**	261,143
Repair and maintenance		**35,647**	122,247
Insurance		**56,345**	52,462
Listing fee		**39,201**	93,614
R & D tax concession fee		**23,268**	13,785
Other expenses		**218,745**	347,315
		1,984,715	2,182,750

FOR THE YEAR ENDED 30 JUNE 2012

3 Income Tax Expense

	GROUP 2012 $	GROUP 2011 $
The prima facie tax on loss from ordinary activities before income tax is reconciled to the income tax as follows:		
Net Loss	**(7,127,920)**	(4,013,548)
Prima facie tax benefit on loss from ordinary activities before income tax at 30%	**(2,138,376)**	(1,204,064)
Add/(less):		
Tax effect of:		
– Other non-deductible items	**14,231**	11,844
– Penalty	**137**	–
– Impairment of assets	**744,331**	–
– Share based payment	**66,111**	9,630
	824,810	21,474
Tax effect of tax losses not brought to account as they do not meet the recognised criteria	**1,313,566**	1,182,590
Income tax attributable to operating loss	**–**	–
Total income tax losses for which no deferred tax asset has been recognised	**24,212,090**	19,833,537

The potential future income tax benefit arising from tax losses and timing differences has not been recognised as an asset because it is not probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised.

The potential future income tax benefit will be obtained if:

i. The relevant company derives future assessable income of a nature and an amount sufficient to enable the benefit to be realised.

ii. The relevant Company and/or Group continues to comply with the conditions for deductibility imposed by the law; and

No changes in tax legislation adversely affect the Company and/or the Group in realising the benefit.

4 Key Management Personnel Remuneration

a. Names and positions held of the Group and Parent Entity key management personnel in office at any time during the financial year are:

Key Management Person	Position
Mr David E Usasz	Chairman - Non-Executive (appointed 15 June 2007)
Mr Howard V Renshaw	Managing Director - Executive (appointed 8 July 2004)
Mr Richard Hill	Director - Executive (appointed 1 October 2010)
Mr Brian Rear	Director - Non-Executive (appointed 19 September 2011)
Mr Robert Besley	Director - Non-Executive (appointed on 16 March 2012)
Ms Cathie Wu	Alternate director to Robert Besley (appointed on 16 March 2012)

b. Remuneration policy

The remuneration policy of Queensland Mining Corporation Ltd has been designed to align key management personnel objectives with shareholder and business objectives by providing a fixed remuneration component. The Board of Queensland Mining Corporation Ltd believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best key management personnel to run and manage the consolidated group, as well as create goal congruence between directors, executives and shareholders.

4 Key Management Personnel Remuneration Continued

The Board's policy for determining the nature and amount of remuneration for key management personnel of the Group is as follows:

- the remuneration policy, setting the terms and conditions for the key management personnel, was developed by the remuneration committee and approved by the Board after seeking professional advice from independent external consultant;
- all key management personnel receive a base salary, superannuation, options and performance incentives;
- the remuneration committee reviews key management personnel packages annually by reference to the Group's performance, executive performance and comparable information from industry sectors.

Key management personnel receive a superannuation guarantee contribution required by the government, which is currently 9%. Some individuals, however, may choose to sacrifice part of their salary to increase payments toward superannuation.

All remuneration paid to key management is valued at cost to the company and expensed.

c. Key Management Personnel Remuneration

2012		**Short-term benefits**			**Long-term benefit**		
Director	**Director's fee and salary $**	**Super-annuation $**	**Bonus $**	**Total $**	**Other $**	**Share-based payment $**	**Total $**
Executive Director							
Mr Howard V Renshaw	285,000	50,000	40,000*	375,000	–	–	–
Non - Executive Directors							
Mr David E Usasz	28,151	25,500	–	53,651	–	–	–
Mr Brian Rear	55,000	–	–	55,000	–	–	–
Mr Richard Hill	88,000**	–	–	88,000	–	–	–
Mr Robert Besley	16,000	–	–	16,000	–	–	–
Ms Cathie Wu	–	–	–	–	–	–	–
Total	**472,151**	**75,500**	**40,000**	**587,651**	**–**	**–**	**–**

* In relation to FY2011 for the successful acquisition and settlement of the White Range project in December 2010. Performance was assessed by the Remuneration Committee pursuant to the management/service contract.

** Including company secretary fee - $48,000

2011		**Short-term benefits**			**Long-term benefit**		
Director	**Director's fee and salary $**	**Super-annuation $**	**Bonus $**	**Total $**	**Other $**	**Share-based payment $**	**Total $**
Executive Director							
Mr Howard V Renshaw	280,000	50,000	60,000*	390,000	–	–	–
Non - Executive Directors							
Mr David E Usasz	31,333	28,667	–	60,000	–	–	–
Mr Brian Rear	4,583	–	–	4,583	–	–	–
Mr Richard Hill	146,667	–	–	146,667	–	–	–
Total	462,583	78,667	60,000	601,250	–	–	–

* In relation to FY2010. Performance was assessed by the Remuneration Committee pursuant to the management/service contract.

4 Key Management Personnel Remuneration Continued

d. Number of Options held by Key Management Personnel

	Balance 30.06.11 No.	Options granted No.	Options Exercised/ Expired No.	Balance 30.06.12 No.	Vested and Exercisable No.	Unvested No.
Mr David E Usasz	2,750,000	–	–	2,750,000	–	–
Mr Howard V Renshaw	3,250,000	–	–	3,250,000	–	–
Mr Brian Rear	–	–	–	–	–	–
Mr Robert Besley	–	–	–	–	–	–
Ms Cathie Wu	–	–	–	–	–	–
Mr Richard Hill	1,000,000	–	–	1,000,000	–	–
Total	**7,000,000**	**–**	**–**	**7,000,000**	**–**	**–**

e. Number of Shares held by Key Management Personnel

	Balance 30.06.11 No.	Acquired during the year No.	Disposed during the year No.	Balance 30.06.12 No.
Mr David E Usasz	1,500,000	900,000	–	2,400,000
Mr Howard V Renshaw	10,550,000	–	–	10,550,000
Mr Brian Rear	–	–	–	–
Mr Robert Besley	–	–	–	–
Ms Cathie Wu	–	–	–	–
Mr Richard Hill	416,000	–	–	416,000
Total	**12,466,000**	**900,000**	**–**	**13,366,000**

5 Auditor's Remuneration

	GROUP 2012 $	GROUP 2011 $
Remuneration of the auditor:		
Auditing or reviewing the financial report	**61,750**	63,750

6 Cash and Cash Equivalents

	GROUP 2012 $	GROUP 2011 $
Cash at bank and in hand	**1,447,339**	996,320

The effective interest rate on cash deposits at call was 4.25% (2011: 4.75 %).

Risk Exposure

he Group's exposure to interest rate risk is discussed in note 16. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of cash and cash equivalents mentioned above.

7 Trade and other Receivables

	GROUP 2012 $	GROUP 2011 $
Current		
Accounts receivables	**306,735**	321,602
Other current receivables		
GST and fuel credit receivable	**156,454**	100,517
Pre-payments	**75,000**	545,104
Other receivables	**207,201**	55,768
	438,655	701,389
	745,390	1,022,991

The ageing of accounts receivables are as follows:

	GROUP Gross $	GROUP Provision $
Not past due	–	–
Past due 1 – 30 days	–	–
Past due 31 – 60 days	–	–
Past due 61 – 90 days	–	–
Past 90 days	306,735	–
	306,735	–

Past due but not impaired

The accounts receivable include amounts due from Tennant Limited which are past due. This debtor has been assessed by the Group and is not considered impaired.

Other receivables

The other classes within trade and other receivables do not contain impaired assets and are not past due. It is expected that these amounts will be received when due. The Group does not hold any collateral in relation to these receivables.

Fair value and credit risk

Due to the short-term nature of the receivables, their carrying amount is assumed to approximate their fair value.

The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of receivables mentioned above. Refer to note 16 for more information on the risk management policy of the Group and credit quality of the receivables.

8 Inventories

	GROUP 2012 $	GROUP 2011 $
Inventories – copper stockpile – at realisable value	**75,000**	75,000

FOR THE YEAR ENDED 30 JUNE 2012

9 Plant and Equipment

	GROUP 2012 $	GROUP 2011 $
Balance at the beginning of year	**4,662,500**	5,132,921
Additions	**313,181**	31,953
Depreciation	**(457,510)**	(469,374)
Disposals	**–**	(33,000)
Carrying amount at the end of year	**4,518,171**	4,662,500
At cost	**7,904,710**	7,591,529
Accumulated depreciation	**(2,586,539)**	(2,129,029)
Impairment losses	**(800,000)**	(800,000)
Total	**4,518,171**	4,662,500

10 Mining Licences and Exploration and Evaluation Expenditure

	GROUP 2012 $	GROUP 2011 $
Mining Licences		
Opening balance	**16,966,063**	12,339,900
Acquired during the year	**–**	4,626,163
Closing balance	**16,966,063**	16,966,063
Exploration and evaluation expenditure		
Opening balance	**12,738,126**	9,672,151
Impairment	**(2,000,000)**	–
Capitalised during the year	**4,348,272**	3,065,975
Closing balance	**15,086,398**	12,738,126

Recoverability of the carrying amount of the exploration and evaluation expenditure is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

During the financial year, the Group has recognised an impairment loss of $2,000,000 on its copper exploration licences. This impairment was recognised on the basis that certain exploration work which had been carried out was not recoverable

During the financial year, the Group has entered into three separate agreements with Ivanhoe Cloncurry Mines Pty Ltd (Ivanhoe), a wholly owned subsidiary of Ivanhoe Australia Limited. These agreements will facilitate the economic exploitation of the Group's copper/gold and cobalt deposits at its White Range Project:

1. The Young Australia agreement – Opens up White Range Project JORC resources for QMC

The Group acquired the exclusive rights to carry out exploration on six sub blocks of Ivanhoe's EPM 9116 for the period of five years with an option to require Ivanhoe to apply for a mining lease over all or any part of these six sub blocks for Queensland Mining Corporation Ltd. These sub blocks open up the Group's existing mining leases at the Young Australian and East Drift, which can support the White Range Project.

The agreement grants Ivanhoe a right of first option participation to buy back at 3.1 times the Group expenditure in the event that the Group seeks third party to explore or mine any primary sulphides on the six sub blocks on a 70/30 basis. Further, Ivanhoe has certain rights to process primary sulphides from any Young Australian discovery, if the Group requires third party processing.

There is no monetary consideration payable by the Group to Ivanhoe for the six sub blocks.

10 Mining Licences and Exploration and Evaluation Expenditure Continued

2. Kuridala agreement – delivery mutually beneficial protocols

Queensland Mining Corporation Ltd is the registered legal owner of ML90081. The rights granted by ML90081 are limited to depth of 100 metres below the surface. While the area of ML is 1247 ha, the Group currently has surface rights of 271.6 ha (known as the Hampden Copper Mine).

Ivanhoe is registered owner of the surrounding EPM9116 and has the rights below 100 metres of ML90081(Kuridala).

The Group and Ivanhoe are subject to the term of a series of historical agreements with the Group acquired from Matrix Metals. Those agreements are deficient in number of material respects and there are impediments to both parties in exploiting their respective rights.

In order to resolve the deficiencies, the Group and Ivanhoe have agreed to enter into the Kuridala access and co-ordination agreement which sets out a clear framework of cooperation between the parties. This will facilitate the effective mining by the Group of the Hampden Copper Mine copper resources as a key component of the White Range project. A drill program has been prepared at Kuridala to seek to increase this resource.

3. Stuart – the agreement represents potential payment of valuable consideration to the Group

The Stuart mining lease (ML90083) is the principle asset of Maxiforde Pty Ltd which the Group acquired from the liquidators of Matrix Metal. ML 90083 abuts Ivanhoe's Victoria North open pit mine. The mine is somewhat isolated from the Group other copper resources and is surrounded by Ivanhoe tenements.

The Group has agreed to grant Ivanhoe a call option to acquire the assets (or shares) of Maxiforde, being ML 90083:

- Ivanhoe has 5 years to exercise the option, otherwise it lapses and all rights remain vested in Queensland Mining Corporation Ltd.
- The consideration if the option is exercised by Ivanhoe is $700,000 cash or tradable shares in Ivanhoe Australia Limited to the value of $750,000 (at Ivanhoe's election).
- The Group has the rights (in any event) to up to 700,000 tonnes of leachable copper ore (ie oxides) whether mined by the Group or subsequently mined by Ivanhoe, if it exercised the option.
- If Ivanhoe, exercises the options the Group will, in addition to the option consideration, receive a royalty payment at a minimum of $2/tonne in relation to all ore commercially mined by Ivanhoe capped at a maximum of $6.5 million (which is in addition to the Group's rights in relation to up to 700,000 tonnes of oxides).

11 Trade and other Payables

	GROUP	
	2012 $	**2011 $**
Trade payables	**652,455**	207,916
Sundry payables and accrued expenses	**350,306**	265,046
	1,002,761	472,962

Risk Exposure

Information about the Group's risk exposure is provided in Note 16.

12 Parent Entity

	GROUP 2012 $	GROUP 2011 $
Financial information in relation to		
Statement of Comprehensive income		
Comprehensive income for the year	**(7,122,963)**	(3,986,181)
Income tax expense	**–**	–
Total comprehensive income for the year	**(7,122,963)**	(3,986,181)
Accumulated losses		
Accumulated losses at the beginning of the year	**(22,853,621)**	(18,867,440)
Comprehensive income for the year	**(7,122,963)**	(3,986,181)
Accumulated losses at the end of the year	**(29,976,584)**	(22,853,621)
Statement of Financial Position		
Current assets	**2,267,723**	2,094,308
Non current assets	**36,724,028**	34,499,197
Total assets	**38,991,751**	36,593,505
Current liabilities	**3,883,415**	457,033
Non current liabilities	**–**	–
Total liabilities	**3,883,415**	457,033
Net Assets	**35,108,336**	36,136,472
Share capital	**62,089,729**	56,294,902
Share option reserve	**2,995,191**	2,695,191
Accumulated losses	**(29,976,584)**	(22,853,621)
	35,108,336	36,136,472
Details of any guarantees entered into by the parent entity in relation to the debts of its subsidiaries	**–**	–
Details of any contingent liabilities of the parent entity	**–**	–
Details of any contractual commitments by the parent entity for the acquisition of property, plant or equipment.	**–**	–

12 Parent Entity Continued

Subsidiaries	Country of Incorporation	Ownership 2012 %	Ownership 2011 %
Parent Entity:			
Queensland Mining Corporation Ltd	Australia		
Subsidiaries of Queensland Mining Corporation Ltd:			
North Queensland Mines Pty Ltd	Australia	100	100
Mt Norma Mining Company Pty Ltd	Australia	100	100
Flamingo Copper Mines Pty Ltd	Australia	100	100
Spinifex Mines Pty Ltd	Australia	100	100
Soldiers Cap Mining Company Pty Ltd	Australia	100	100
Cloncurry River Mining Company Pty Ltd	Australia	100	100
Kuridala Mine Pty Ltd	Australia	100	100
Mt McNamara Pty Ltd	Australia	100	100
Sierra Line Pty Ltd	Australia	100	100
QMC Operations Pty Ltd	Australia	100	100
White Range Mines Pty Ltd	Australia	100	100
QMC Exploration Pty Ltd	Australia	100	100
Iron Ridge – Black Fort Pty Ltd	Australia	100	100
Mt McCabe Pty Ltd	Australia	100	100
Maxiforde Pty Ltd	Australia	100	100

13 Financial Liabilities

	GROUP 2012 $	GROUP 2011 $
Unsecured Loan		
Current		
Unsecured loan	**2,880,655**	–

The unsecured loan carries interest rate of 10% and is payable on 31 October 2012. The unsecured loan includes options (Note 14) which was issued in relation to the loan. The options are amortised over the term of the loan.

14 Issued Capital

	GROUP 2012 $	GROUP 2011 $
512,892,031 fully paid ordinary shares (2011: 402,597,477 fully paid ordinary shares)	**62,089,732**	56,294,905

Movement in share capital

For the financial year ended 30 June 2012

Date	Details	No. of shares	$
01-Jul-11	Balance 1 July – Ordinary Shares	402,597,477	56,294,905
18-Nov-11	Issue of shares through placement	28,200,000	1,551,000
03-Feb-12	Issue of shares through placement	1,894,545	169,000
29-Feb-12	Issue of shares through placement	78,200,000	4,301,000
05-Apr-12	Issue of shares through placement	2,000,000	110,000
05-Apr-12	Option conversion	9	2
	Less: Transaction costs arising on share issues	–	(336,175)
		512,892,031	**62,089,732**

14 Issued Capital Continued

Movement in share capital (cont.)

For the financial year ended 30 June 2011

01-Jul-10	Balance 1 July – Ordinary Shares	316,632,589	47,712,444
22-Jul-10	Settlement of assets from Matrix Metal Limited	25,000,000	2,500,000
29-Oct-10	Issue of shares through placement	22,494,888	1,844,581
31-Dec-10	Issue of shares through placement	38,470,000	4,566,836
	Less: Transaction costs arising on share issues	–	(328,956)
		402,597,477	56,294,905

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The shares have no par value.

Capital risk management

The Group's objective when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and to maintain an optimum capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure the Group may return capital to shareholders or issue new shares.

Options

	GROUP	
	2012 $	2011 $
Balance at the beginning of the year	**2,695,191**	2,651,931
Options issued during the year as share based payments	**300,000**	43,560
Balance at the end of the year	**2,995,191**	2,695,191

	No.	No.
Balance at the beginning of the year	97,586,589	70,161,112
Options expired during the year	(72,586,580)	(14,161,112)
Options granted during the year – pursuant to share based payments	–	990,000
Options granted during the year – pursuant to placements	48,730,000	40,596,589
Option exercised during the year	(9)	–
Balance at the end of the year	73,730,000	97,586,589

The option reserve is used to recognise:

- the grant date fair value of options issued to employees but not exercised;
- the grant date fair value of shares issued to employees; and
- share based payments to suppliers

Fair value of options granted

The assessed fair value at grant date of options granted as share based payments during the year ended 30 June 2012 was 5 cents per option. The fair value at grant date is independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The fair value of options has been recognised as part of the unsecured loan as it is deemed to be a transaction cost in securing the loan.

14 Issued Capital Continued

The model inputs for options granted during the year ended 30 June 2012 included:

(a) exercise price: 10 cents
(b) grant date: 30 November 2011
(c) expiry date: 30 November 2014
(d) share price at grant date: 8 cents
(e) expected price volatility of the company's shares: 101.82%
(f) expected dividend yield: 0%
(g) risk-free interest rate: 4.25%

The expected price volatility is based on the historic volatility of the underlying shares.

15 Cash Flow Information

	GROUP	
	2012 $	2011 $
Reconciliation of Cash Flow from Operations with Loss to Ordinary Activities after Income Tax		
Loss from continuing operations after income tax	**(7,127,920)**	(4,013,548)
Non-cash flows in profit from ordinary activities		
Depreciation	**457,510**	469,375
Share based payment - shares issued	**–**	121,750
Share based payment - options issued	**220,370**	8,360
Impairment of assets	**2,481,104**	–
Bad debt written off	**13,515**	–
Annual leave expense	**50,822**	–
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	**(185,360)**	(251,262)
Increase in trade and other payables	**557,604**	(195,419)
Cash outflow from operations	**(3,532,355)**	(3,358,220)

16 Financial Risk Management

a. Financial Risk Management Policies

The Group's financial instruments, consists mainly of deposits with banks, accounts payable and receivables and convertible notes.

i. Risk management

A finance committee consisting of senior executives of the Group meets on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

The finance committee's overall risk management strategy seeks to assist the Group in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

The finance committee operates under policies approved by the board of directors. Risk management policies are approved and reviewed by the Board on a regular basis. These include the use of credit risk policies and future cash flow requirements.

ii. Financial risk exposures and management

The main risks the Group is exposed to through its financial instruments are interest rate risk, credit risk and price risk.

Interest rate risk

Interest rate risk is managed with a mixture of fixed and floating rate debt.

16 Financial Risk Management Continued

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at the reporting date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as discloses in the statement of financial performance and notes to the financial managements.

Credit risk is managed on a Group basis and reviewed regularly by the finance committee. It arises from exposures to customers as well as trough certain derivative financial instruments and deposits with financial institutions.

The finance committee monitors credit risk by actively assessing the rating quality and liquidity of counter parties:

- only banks and financial institutions with an ‘A’ rating are utilised;
- all potential customers are rated for credit worthiness taking into account their size, market position and financial standing; and
- customers that do not meet the Group’s strict credit policies may only purchase in cash or through banks or financial institutions.

Credit risk for counter parties included in financial assets and financial liabilities, at 30 June 2012 is detailed below:

	GROUP	
	2012 $	**2011 $**
Receivables	**461,189**	377,370
Total	**461,189**	377,370

Liquidity risk

The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

The following table illustrates the contractual maturities of the Group’s financial liabilities:

	GROUP	
	2012 $	**2011 $**
Within six months	**3,883,416**	472,964
6 – 12 months	**–**	–
Between 1 and 2 years	**–**	–
	3,883,416	472,964
Total contractual cash flows	**3,883,416**	472,964
Carrying amount of liabilities	**3,883,416**	472,964
Non - interest bearing	**1,002,761**	472,964
Fixed interest rate	**2,880,655**	–
Variable interest rate	**–**	–
	3,883,416	472,964

b. Financial Instrument

Price risk sensitivity analysis

The Group is currently in the exploration phase therefore movements in commodity prices within reasonable ranges would not have a material impact on the comprehensive loss for the year.

FOR THE YEAR ENDED 30 JUNE 2012

17 Related Party Transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

	GROUP 2012 $	2011 $
During the year, the Group used the services of Butmall Pty Ltd (a company associated with Mr Howard Renshaw) for the provision of management in corporate and financial advisory services.	**50,333**	116,400
Entitlement paid in relation to annual leave (reimbursement of previous year's accumulated leave) - This amount was paid to Butmall Pty Ltd to reimburse that company for annual leave entitlements whilst the subject of the services contract. The use of the services company during the years resulted in cost savings in on costs in relation to Mr Howard Renshaw's provision of services.	**151,462**	–
During the year, the Group used the services of DFK Richard Hill Pty Ltd for the provision of corporate advisory, taxation and accounting services at commercial rates. Mr Richard Hill was a director of DFK Richard Hill Pty Ltd during the financial year.		
– Preparation of financial statements for half year review and annual suitable for audit, assistance with preparation of Annual Report. Services in relation to taxation and Goods and Services Tax.	**114,821**	102,000
– Corporate advisory fees in relation to fund raising, underwritings and material resource contracts.	**45,000**	65,250
– Assistance with acquisition, documentation, due diligence relating to the acquisition of the White Range Project from Matrix Metals Ltd (in liquidation) including the issue of an additional Prospectus.	**–**	149,750
Payment to Morbride Pty Ltd for corporate advisory fee at a commercial rate. David Usasz is a director of the company.	**18,000**	20,000
Payment to Brian Rear for technical advisory fee at a commercial rate.	**39,000**	–

18 Loss per Share

	GROUP 2012 cents	2011 cents
Basic / Diluted loss per share	**(1.73)**	(1.07)

	GROUP 2012 $	2011 $
Reconciliations of losses used in calculating loss per share:		
Loss attributable to the ordinary equity holders of the company used in calculating basic earnings per share	**7,127,920**	4,013,548
Loss attributable to the ordinary equity holders of the company used in calculating diluted earnings per share	**7,127,920**	4,013,548

18 Loss per Share Continued

	GROUP 2012 No.	2011 No.
Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	**411,655,053**	374,308,815
Adjustments for calculation of diluted earnings per share	–	–
	411,655,053	374,308,815

Options are considered potential ordinary shares for the purposes of diluted earnings per share. However, at 30 June 2012 and 30 June 2011, based on the circumstances of the consolidated entity, the options are not considered dilutive and therefore have not been used in the calculation of diluted earnings per share.

19 Segment Note

The Group has identified its operating segment based on the internal reports that are reviewed and used by the executive management team (the chief operating decision makers) in assessing performance and in determining the allocation of resources.

The operating segment is identified by Management as an area of interest, discrete financial information about this operating segment is reported to the executive management team on at least a monthly basis.

Management has identified the Cloncurry region of Queensland as the Group's operating segment, as all exploration licences issued to the Group lie within this area of interest the Group has one operating segment.

20 Events after Reporting Date

In September 2012, the Company has placed a total of 151,564,121 shares at $0.033 per share to raise $5,001,616 to fund White Range feasibility study, on-going resource and metallurgical drilling and for general working capital.

The repayment of unsecured Loan of $3 million has been agreed to be extended to 30 November 2013 on terms and conditions which are currently being finalised.

There are no other events subsequent to the reporting date.

21 Corporate Information

Queensland Mining Corporation Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Suite 2, Level 24
56 Pitt Street
Sydney, NSW 2000

The financial report was authorised for issue, in accordance with a resolution of directors, on 28 September 2012. The directors have the power to amend and reissue the financial report.

Directors' Declaration

The directors of the company declare that:

1. The financial statements, comprising the statement of comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity, accompanying notes, are in accordance with the *Corporations Act 2001* and:

a. comply with Accounting Standards and the *Corporations Regulations 2001*; and

b. give a true and fair view of the consolidated entity's financial position as at 30 June 2012 and of its performance for the year ended on that date.

2. The company has included in the notes to the financial statements an explicit and unreserved statement of compliance with International Financial Reporting Standards.

3. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

4. The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:

Daniel Usasz

David Usasz
Chairman

28 September 2012
Sydney NSW

Independent Auditor's Report

TO THE MEMBERS OF QUEENSLAND MINING CORPORATION LIMITED

BDO

Tel: 61 2 9251 4100
Fax: 61 2 9240 9821
www.bdo.com.au

Level 10, 1 Margaret St
Sydney NSW 2000
Australia

Report on the Financial Report

We have audited the accompanying financial report of Queensland Mining Corporation Limited, which comprises the consolidated statement of financial position as at 30 June 2012, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, that the financial statements comply with International Financial Reporting Standards.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Queensland Mining Corporation Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Tel: 61 2 9251 4100
Fax: 61 2 9240 9821
www.bdo.com.au

Level 10, 1 Margaret St
Sydney NSW 2000
Australia

Opinion

In our opinion

(a) the financial report of Queensland Mining Corporation Limited is in accordance with the *Corporations Act 2001*, including:

   (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2012 and of its performance for the year ended on that date; and

   (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

(b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 11 to 16 of the directors' report for the year ended 30 June 2012. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of Queensland Mining Corporation Limited for the year ended 30 June 2012 complies with section 300A of the *Corporations Act 2001*.

BDO East Coast Partnership

BDO

Grant Saxon
Partner

Sydney, 28 September 2012

Shareholders Information

ASX ADDITIONAL INFORMATION AS AT 15 OCTOBER 2012

Mining Titles & Interest Report

Tenement Number	Tenement Name	QMC Interest	Company	Status
EPM13336	Duck Creek	*Earning 75%*	Goldsearch Limited	*Granted #*
EPM15706	Tommy Creek	*100%*	Queensland Mining Corporation Limited	*Granted*
EPM15718	Duck Creek South	*75%*	Goldsearch Limited	*Granted #*
EPM15879	Mt Norma	*100%*	Mt Norma Mining Company Pty Limited	*Granted #*
EPM16078	Jessievale	*100%*	Queensland Mining Corporation Limited	*Granted*
EPM16628	Mt Brownie	*100%*	Queensland Mining Corporation Limited	*Granted*
EPM16976	Mt Sheaffer	*100%*	North Queensland Mines Pty Ltd	*Granted*
EPM17246	Pigeon South	*100%*	Flamingo Copper Mines Pty Ltd	*Granted*
EPM17247	Coolullah	*100%*	Flamingo Copper Mines Pty Ltd	*Granted*
EPM17248	Pigeon North	*100%*	Flamingo Copper Mines Pty Ltd	*Granted*
EPM17249	Coolullah South	*100%*	Flamingo Copper Mines Pty Ltd	*Granted*
EPM17250	Coolullah South Extended	*100%*	Flamingo Copper Mines Pty Ltd	*Granted*
EPM17251	Koolamarra	*100%*	Flamingo Copper Mines Pty Ltd	*Granted*
EPM17322	Pigeon 1	*100%*	Flamingo Copper Mines Pty Ltd	*Granted*
EPM17323	Pigeon 3	*100%*	Flamingo Copper Mines Pty Ltd	*Granted*
EPM17324	Pigeon 2	*100%*	Flamingo Copper Mines Pty Ltd	*Granted*
EPM17325	Mt Norma 2	*100%*	Mt Norma Mining Company Pty Limited	*Granted*
EPM17326	Middle Creek	*100%*	Mt Norma Mining Company Pty Limited	*Granted*
EPM17922	Mt Norma West	*100%*	Mt Norma Mining Company Pty Limited	*Granted*
EPM18097	Cabbage Tree	*100%*	Flamingo Copper Mines Pty Ltd	*Granted*
EPM18106	Flamingo West	*100%*	Flamingo Copper Mines Pty Ltd	*Application*
EPM18286	Elder Creek	*100%*	Flamingo Copper Mines Pty Ltd	*Application*
EPM18440	Slaty Creek	*100%*	Queensland Mining Corporation Limited	*Granted*
ML2538	Deb	*100%*	North Queensland Mines Pty Limited	*Granted*
ML2539	Comet	*100%*	North Queensland Mines Pty Limited	*Granted*
ML2540	Belfast	*100%*	North Queensland Mines Pty Limited	*Granted*
ML2541	Belgium	*100%*	Queensland Mining Corporation Limited	*Granted #*
ML2543	Jackley	*100%*	North Queensland Mines Pty Limited	*Granted*
ML2544	Dulce Extended No.2	*100%*	North Queensland Mines Pty Limited	*Granted*
ML2545	Mascotte	*100%*	North Queensland Mines Pty Limited	*Granted*
ML2547	Barroness	*100%*	North Queensland Mines Pty Limited	*Granted*

Renewal pending

* 100% has been acquired - assignment are to be finalised

ASX ADDITIONAL INFORMATION AS AT 15 OCTOBER 2012

Mining Titles & Interest Report continued

Tenement Number	Tenement Name	QMC Interest	Company	Status
ML2548	Dandy	*100%*	North Queensland Mines Pty Limited	*Granted*
ML2549	Trump	*100%*	North Queensland Mines Pty Limited	*Granted #*
ML2550	Mt Norma No. 2	*100%*	Mt Norma Mining Company Pty Limited	*Granted #*
ML2551	Mt Norma No. 3	*100%*	Mt Norma Mining Company Pty Limited	*Granted #*
ML2552	Yoomoo King	*100%*	North Queensland Mines Pty Limited	*Granted*
ML2553	Yoomoo King West	*100%*	North Queensland Mines Pty Limited	*Granted*
ML2709	Gilded Rose	*100%*	Spinifex Mines Pty Ltd	*Granted #*
ML2711	Button	*100%*	Spinifex Mines Pty Ltd	*Granted*
ML2713	Gilded Rose Extended East	*100%*	Spinifex Mines Pty Ltd	*Granted*
ML2718	Gilded Rose Extended West	*100%*	Spinifex Mines Pty Ltd	*Granted*
ML2719	Gilded Rose Extended East 1	*100%*	Spinifex Mines Pty Ltd	*Granted*
ML2741	Mt Freda	*100%*	Spinifex Mines Pty Ltd	*Granted #*
ML2742	Evening Star	*100%*	Spinifex Mines Pty Ltd	*Granted #*
ML2750	Evening Star North Extended	*100%*	Spinifex Mines Pty Ltd	*Granted #*
ML2752	Mt Freda Extended	*100%*	Spinifex Mines Pty Ltd	*Granted #*
ML90204	Flamingo No. 3	*100%*	Flamingo Copper Mines Pty Ltd	*Application*
ML90205	Flamingo No. 4	*100%*	Flamingo Copper Mines Pty Ltd	*Application*
ML90206	Flamingo No. 5	*100%*	Flamingo Copper Mines Pty Ltd	*Application*
ML90207	Flamingo No. 6	*100%*	Flamingo Copper Mines Pty Ltd	*Application*
MC4348	Mt Debbie	*100% **	Cudeco Limited	*Granted #*
MC4349	Mt Debbie 2	*100%*	Queensland Mining Corporation Limited	*Granted #*
MC4350	Mt Debbie No. 1	*100%*	Queensland Mining Corporation Limited	*Granted #*
EPM18476	Gum Creek	*100%*	North Queensland Mines Pty Limited	*Application*
EPM18508	Limestone Creek	*100%*	North Queensland Mines Pty Limited	*Application*
EPM18626	Corner Creek North	*100%*	Flamingo Copper Mines Pty Ltd	*Application*
EPM18627	Corner Creek	*100%*	Flamingo Copper Mines Pty Ltd	*Application*
EPM18657	Flamingo	*100%*	Flamingo Copper Mines Pty Ltd	*Application*
EPM18663	Gold Reef Dam	*100%*	Queensland Mining Corporation Limited	*Granted*
EPM19149	Elder Creek East	*100%*	Spinifex Mines Pty Ltd	*Granted*
EPM19150	Turpentine Creek	*100%*	Spinifex Mines Pty Ltd	*Granted*
EPM19165	Weatherly Creek South	*100%*	QMC Exploration Pty Limited	*Granted*

Renewal pending

* 100% has been acquired -assignment are to be finalised

ASX ADDITIONAL INFORMATION AS AT 15 OCTOBER 2012

Mining Titles & Interest Report continued

Tenement Number	Tenement Name	QMC Interest	Company	Status
EPM19166	Surprise Creek	*100%*	Mt Norma Mining Company Pty Limited	*Granted*
EPM19167	Weatherly Creek North	*100%*	QMC Exploration Pty Limited	*Granted*
EPM19183	Anitra Osborne	*100%*	QMC Exploration Pty Limited	*Application*
EPM19184	Pegmont South	*100%*	QMC Exploration Pty Limited	*Application*
ML2506	Mt Norma	*100%*	Mt Norma Mining Company Pty Limited	*Granted #*
ML2510	Southern Cross	*100%*	North Queensland Mines Pty Limited	*Granted #*
ML2517	Answer	*100%*	North Queensland Mines Pty Limited	*Granted*
ML2518	Winston Churchill	*100%*	Queensland Mining Corporation Limited	*Granted #*
ML2530	Marguarita	*100%*	North Queensland Mines Pty Limited	*Granted*
ML2531	Brilliant	*100%*	North Queensland Mines Pty Limited	*Granted*
ML2532	Alone Hand	*100%*	North Queensland Mines Pty Limited	*Granted*
ML2533	Jessie	*100%*	North Queensland Mines Pty Limited	*Granted*
ML2535	Sally	*100%*	North Queensland Mines Pty Limited	*Granted*
ML2537	Dulce	*100%*	North Queensland Mines Pty Limited	*Granted*
ML2763	Evening Star North	*100%*	Spinifex Mines Pty Ltd	*Granted #*
ML2777	New Dollar	*100%*	North Queensland Mines Pty Limited	*Granted #*
ML2778	Horseshoe	*100%*	North Queensland Mines Pty Limited	*Granted #*
ML2779	Mountain Maid	*100%*	North Queensland Mines Pty Limited	*Granted #*
ML2788	Top Camp No. 5 (Two Mile)	*100%*	North Queensland Mines Pty Limited	*Granted #*
ML7498	Little Beauty	*100%*	Queensland Mining Corporation Limited	*Granted #*
ML7511	Young Australian 2	*100%*	North Queensland Mines Pty Limited	*Granted #*
ML7512	Young Australian	*100%*	North Queensland Mines Pty Limited	*Granted #*
ML90084	Young Australian Extended	*100%*	North Queensland Mines Pty Limited	*Granted*
ML90088	Chinamen	*100%*	North Queensland Mines Pty Limited	*Granted*
ML90099	Australian	*100%*	North Queensland Mines Pty Limited	*Granted*
ML90103	New Snow Ball	*100%*	Flamingo Copper Mines Pty Ltd	*Granted*
ML90104	Mossy' s Dream	*100%*	Flamingo Copper Mines Pty Ltd	*Granted*
ML90147	Eva	*100%*	North Queensland Mines Pty Limited	*Granted*
ML90148	Mount Timberoo	*100%*	North Queensland Mines Pty Limited	*Granted*
ML90149	Mt McNamara	*100%*	North Queensland Mines Pty Limited	*Granted #*
ML90172	Mt Norma Surround 1	*100% **	Cudeco Limited	*Application*

Renewal pending

* 100% has been acquired -assignment are to be finalised

ASX ADDITIONAL INFORMATION AS AT 15 OCTOBER 2012

Mining Titles & Interest Report continued

Tenement Number	Tenement Name	QMC Interest	Company	Status
ML90173	Mt Norma Surround 2	*100% **	Cudeco Limited	*Application*
ML90174	Mt Norma Surround 3	*100% **	Cudeco Limited	*Application*
ML90175	Mt Norma Surround 4	*104% **	Cudeco Limited	*Application*
ML90176	Mt Norma Surround 5	*100% **	Cudeco Limited	*Application*
ML90202	Flamingo No. 1	*100%*	Flamingo Copper Mines Pty Ltd	*Application*
ML90203	Flamingo No. 2	*100%*	Flamingo Copper Mines Pty Ltd	*Application*
ML90134	Greenmount	*100%*	White Range Mines Pty Ltd	*Granted*
ML2519	Vulcan	*100%*	White Range Mines Pty Ltd	*Granted #*
ML90081	Hampden Copper	*100%*	White Range Mines Pty Ltd	*Granted #*
ML90082	Mt McCabe	*100%*	White Range Mines Pty Ltd	*Granted*
ML90083	Stuart	*100%*	Maxiforde Pty Ltd	*Granted #*
ML90161	Phil's Find	*100%*	White Range Mines Pty Ltd	*Granted*
MDL204	Copper Canyon	*100%*	White Range Mines Pty Ltd	*Granted #*
MDL205	Greenmount	*100%*	White Range Mines Pty Ltd	*Granted #*
EPM14148	White Range No. 1	*100%*	Sierra Line Pty Ltd	*Granted #*
EPM15897	White Range Consolidated	*100%*	Sierra Line Pty Ltd	*Granted*
EPM14163	White Range No. 2	*100%*	Mt Norma Mining Company Pty Limited	*Granted*
EPM14475	White Range No. 4	*100%*	Spinifex Mines Pty Ltd	*Granted*
EPM15858	Sunny Mount	*100%*	QMC Exploration Pty Limited	*Granted*
EPM15859	Split Rock	*100%*	QMC Exploration Pty Limited	*Granted*
EPM15196	Mt Tracey	*100%*	QMC Exploration Pty Limited	*Granted*
EPM15520	Top Bore	*100%*	QMC Exploration Pty Limited	*Granted*
EPM15031	White Range No. 6	*100% **	Matrix Metals Limited	*Granted*

Renewal pending

1. Orion JV agreement EPM17602, QMC's earning up to 70%
2. Exco-Matrix tenement swap agreement, EPM13091 and EPM15740 consolidated into EPM17602

ASX ADDITIONAL INFORMATION AS AT OCTOBER 2012

JORC Resources 2012

White Range	Category	Total Resources		
		Tonnes (Mt)	Cu Grade (%)	Contained Metal (t)
Greenmount	Measured	0.98	1.27%	12,446
	Indicated	6.21	0.70%	43,470
	Inferred	5.10	0.80%	40,800
	Total	**12.29**	**0.79%**	**96,716**
Kuridala	Measured	2.50	0.90%	22,500
	Indicated	3.00	0.84%	25,200
	Inferred	1.70	0.73%	12,410
	Total	**7.20**	**0.83%**	**60,110**
Young Australian	Measured			
	Indicated	1.11	1.14%	12,654
	Inferred	1.02	0.84%	8,568
	Total	**2.13**	**1.00%**	**21,222**
Mt McCabe	Measured	2.73	0.65%	17,745
	Indicated	1.98	0.57%	11,286
	Inferred	3.02	0.49%	14,798
	Total	**7.73**	**0.57%**	**43,829**
Vulcan	Measured			
	Indicated	1.05	0.65%	6,825
	Inferred	0.36	0.63%	2,268
	Total	**1.41**	**0.64%**	**9,093**
Desolation	Measured			
	Indicated	0.82	0.76%	6,256
	Inferred	1.12	0.59%	6,618
	Total	**1.94**	**0.66%**	**12,875**
Stuart	Measured			
	Indicated	4.68	0.58%	27,144
	Inferred	0.89	0.39%	3,471
	Total	**5.57**	**0.55%**	**30,615**
Grand Total	Measured	6.21	0.85%	52,691
	Indicated	18.85	0.70%	132,835
	Inferred	13.21	0.67%	88,933
	Total	**38.27**	**0.72%**	**274,460**

ASX ADDITIONAL INFORMATION AS AT OCTOBER 2012

JORC Resources 2012 continued

Flamingo Inferred Resources, as at March 2010 (1.0% Cu cut-off grade)

Type	Reporting Cut-off (% Cu)	Tonnes	Cu (%)	Au (g/t)
High Grade Zone		110,000	6.0	1.7
Hangwall Lens		7,000	6.4	2.5
Total		**117,000**	**6.0**	**1.8**

Note: No mining studies have yet been undertaken to determine economic viability.

Horseshoe Mineral Resources as at 11 October 2012 (0.2% Cu cut-off grade)

Category	Tonnes (Mt)	Tonnes	Cu (%)	Co (ppm)	Au (g/t)	Cu (lb)	Au (oz)
Indicated	0.28	1.36	200	0.11	3,830	116,600	985
Inferred	0.68	1.51	100	0.13	10,304	211,200	2,874
Total	**0.96**	**1.47**	**200**	**0.13**	**14,134**	**327,800**	**3,859**

Note: No mining studies have yet been undertaken to determine economic viability.

Mt Freda Resources (0.2% Cu cut-off grade)

Indicated + inferred Resources Above 0.5g/t Au Cut-off				
Confidence	Tonnes	Au g/t	Au oz	Co (ppm)
Indicated	–	–	–	–
Inferred	**1,600,000**	1.7	89,000	290
Total	**1,600,000**	**1.7**	**89,000**	**1,000,000 (lbs)**

Gilded Rose Resources

Indicated + inferred Resources Above 0.5g/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**

Figures rounded.

ASX ADDITIONAL INFORMATION AS AT 15 OCTOBER 2012

Substantial Shareholders

Perfect Nation Global Limited has a relevant interest in 115,200,000 shares

* Great Tang Brothers Resource Investment Pty Ltd has a relevant interest in 93,352,000 shares

Tulla Resources Group has a relevant interest in 56,883,933 shares

Bradleys Polaris Pty Ltd has a relevant interest in 15,151,515 shares

Mr Howard Renshaw has a relevant interest in 11,000,000 shares

* includes Mr Guo Tang 7,576,000 shares and THTF Australia Mining Pty Ltd 7,576,000 shares

includes Marley Holdings Pty Ltd 4,080,000 shares

Security Classes:

Fully Paid Ordinary Shares: 664,456,152

Escrow: None

Voting Rights

Ordinary Shares: At Shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

Distribution of Shareholders

Security Classes

Fully Paid Ordinary Shares

Holding Ranges	Holders	Total Units	%
1-1,000	49	6,166	0.001
1,001-5,000	248	923,184	0.139
5,001-10,000	352	3,035,661	0.457
10,001-100,000	1,445	61,663,376	9.280
100,001-99,999,999,999	593	598,827,765	90.123
Totals	**2,687**	**664,456,152**	**100.000**

Holders of Non- Marketable Parcels

There are 457 holders of non-marketable parcels.

A marketable parcel is a parcel of securities of not less than $500.

No Current on-market buy back

There is no current on-market buy back.

Escrowed Securities

No Escrowed Securities.

Options

Unlisted Options: 73,730,000

No Escrowed Options.

ASX ADDITIONAL INFORMATION AS AT 15 OCTOBER 2012

Top 20 Holdings – Fully Paid Ordinary Shares	15-10-2012	%
Perfect Nation Global Limited	115,200,000	17.337
Great Tang Brothers Resource Investment Pty Ltd	78,200,000	11.769
Tulla Resources Group Pty Ltd	28,200,000	4.244
Tulla Resources Group Pty Limited	22,103,933	3.327
Bradleys Polaris Pty Ltd	15,151,515	2.280
H V R Pty Ltd ‹H V R Super Fund A/C›	11,000,000	1.655
Global House Limited	9,900,000	1.490
Mr Guo Tang	7,576,000	1.140
THTF Australia Mining Pty Ltd	7,576,000	1.140
Holmberg Nominees Pty Ltd ‹N L Burton P/L S/F No 2 A/C›	6,383,129	0.961
Purcell Gold Mining Limited	5,400,000	0.813
Chemmet Pty Ltd ‹Super Fund A/C›	5,121,212	0.771
Wealthhub Securities Nominees Pty Ltd ‹Settlement›	5,025,000	0.756
Dr Lakshman Jayaweera	4,242,424	0.638
Marley Holdings Pty Ltd	4,080,000	0.614
Live and Learn Pty Ltd	3,445,000	0.518
Mr Aniket Shah	3,400,000	0.512
Yellowrock Pty Ltd ‹No 2 A/C›	3,255,917	0.490
Chislehurst Consulting Services Pty Ltd ‹Hill Super Fund A/C›	3,160,996	0.476
Grandor Pty Ltd ‹Mark Scott Family P/F A/C›	3,000,000	0.451
Mr Ralph Tonkin	3,000,000	0.451
Total	**344,421,126**	**51.835**
Issued Capital	**664,456,152**	

Corporate Directory

DIRECTORS

Mr David Usasz (Chairman, appointed on 15 June 2007)

Mr Howard Renshaw (Managing Director, appointed on 08 July 2004)

Mr Richard Hill (Non-Executive Director, appointed on 1 October 2009)

Mr Brian Rear (Non-Executive Director, appointed on 16 March 2012)

Mr Robert (Bob) Besley (Non-Executive Director, appointed on 16 March 2012)

Ms Cathie Wu (Alternate Director to Bob Besley, appointed on 16 March 2012, resigned on 16 October 2012)

Ms Cathie Wu (Non-Executive Director, appointed on 16 October 2012)

COMPANY SECRETARY

Mr Richard Hill (appointed on 9 August 2007)

REGISTERED OFFICE

C/- DFK Richard Hill, Chartered Accountants
Level 11, 32 Martin Place,
Sydney, NSW, 2000.
Website: www.qmcl.com.au

HEAD OFFICE

Level 24 Royal Exchange
56 Pitt Street
Sydney NSW 2000

REGIONAL OFFICE

88 Seymour Street
Cloncurry QLD 4824

SHARE REGISTRY

Boardroom Pty Limited
Level 7
207 Kent Street
Sydney NSW 2000

AUDITORS

BDO East Coast Partnership
Level 10, 1 Margaret Street
Sydney NSW 2000

PHOTOGRAPHY by QMC Managing Director Mr. Howard Renshaw
DESIGN and PRODUCTION by Chrystello Design Pty Ltd

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