



1 May 2012

Expiry of \$0.20 31 May 2012 Options
ASX Code: QMNO

IMPORTANT NOTICE – EXPIRY OF QMNO OPTIONS

Dear Option Holder

The \$0.20 Options issued by the Company are due to expire at 5.00pm Eastern Standard Time on Thursday 31 May 2012. In accordance with the terms and conditions of the option issue and the ASX Listing Rules, the Company is required to give you notice at least 20 business days before the expiry date.

In accordance with the ASX Listing Rules the Company advises as follows:

1. The latest date for the exercise of the options and for payment of the exercise price is 31 May 2012;
2. The exercise price of the options is \$0.20 per option;
3. The consequence of non-payment of the exercise price is that the options will lapse;
4. The latest available market sale price of the Company's shares on ASX prior to the date of letter was \$0.034 per Share on 30 April 2012;
5. The highest and lowest market price of the underlying securities during the three months prior to 1 May 2012 are set out below:
 - I. Highest: \$0.046 per Share on 1st March 2012;
 - II. Lowest: \$0.034 per Share on 30th April 2012.
6. The last date of quotation of QMNO options on the Australian Securities Exchange will be 24 May 2011.

Enclosed is a **"Notice of Exercise of Options Expiring 31 May 2012"**

To convert your QMNO options into QMN shares, complete the attached **"Notice of Exercise of Options Expiring 31 May 2012"** form in full, sign it and send to the Company's share registry with



the appropriate remittance amount by cheque made payable to Queensland Mining Corporation Limited and crossed "Not Negotiable".

The Company's share registry postal address is:

Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001

If you have any queries in relation to the above please do not hesitate to contact Boardroom Pty Limited on 1300 737 760 or +61 2 9290 9600.



NOTICE OF EXERCISE OF OPTIONS EXPIRING 31 MAY 2012

TERMS AND CONDITIONS OF OPTIONS

The terms and conditions of the Options are as follows:

- (a) each option entitles the holder to subscribe for and be allotted one fully paid ordinary share in the Company;
- (b) the options are exercisable at 20 cents;
- (c) the options will expire on 31/05/2012 (the Expiry Date);
- (d) the options are exercisable at any time on or prior to the Expiry Date by notice in writing to the directors of the Company accompanied by payment of the exercise price;
- (e) all shares issued upon exercise of the options will rank pari passu in all respects with the Company's then existing fully paid ordinary shares.
- (f) there are no participating rights or entitlements inherent in the options and holders will not be entitled to participate in new issues of capital offered to shareholders during the currency of the options. However, the Company will send a notice to each holder of options at least nine business days before the record date. This will give optionholders the opportunity to exercise their options prior to the date for determining entitlements to participate in any such issue;
- (g) if from time to time on or prior to the Expiry Date the Company makes an issue of shares to the holders of ordinary shares in the Company by way of capitalisation of profits or reserves (a bonus issue), then upon exercise of his options an optionholder will be entitled to have issued to him (in addition to the shares which would otherwise be issued to him upon such exercise) the number of shares of the class which would have been issued to him under that bonus issue (bonus shares) if on the record date for the bonus issue he had been registered as the holder of the number of shares of which he would have been registered as holder if, immediately prior to that date, he had duly exercised his options and the shares the subject of such exercise had been duly allotted and issued to him. The bonus shares will be paid by the Company out of profits or reserves (as the case may be) in the same manner as was applied in relation to the bonus issue and upon issue will rank pari passu in all respects with the other shares allotted upon exercise of the options; and
- (h) in the event of any reorganisation of the issued capital of the Company on or prior to the Expiry Date, the rights of an optionholder will be changed to the extent necessary to comply with the applicable ASX Listing Rules in force at the time of the reorganisation.
- (i) The Company will make application to the ASX for the options to be listed.
- (j) An optionholder has no right to vote at any general meeting of the Company.



NOTICE OF EXERCISE OF OPTIONS

To: Queensland Mining Corporation Limited, C/- Boardroom Limited, GPO Box 3993, Sydney NSW 2001

I/We.....

Name of Option holder/s (Please use block letters)

.....

Registered address of Option holder/s (Please use block letters)

hereby exercise my options to apply for

.....

(number in words) (in figures)

fully paid ordinary shares in the capital of the company and I/we enclose my/our cheque for \$.....

in payment of such shares at \$0.20 per option subscription. I/we request that you allot me/us on the share register the number of shares to which I am/we are entitled and I/we agree to accept such shares subject to the Company's Constitution.

PLEASE SIGN HERE:

Shareholder 1 (Individual)
(Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3

Sole Director

Director/Secretary

Business Telephone No. _____ Date: _____