



Quarterly Report

For the quarter ended 31 March 2012

30 April 2012

- \$4,301,000 capital raised by placing 78.2 million shares to TAM Q Copper Pty Ltd (now known as Great Tang Brother Resource Pty Ltd)
- Calder Maloney Pty Ltd appointed as Consulting Engineers and Project Study Managers for White Range feasibility study
- Mr Bob Besley appointed non-executive director
- Half Yearly accounts published
- Greenmount and exploration drilling programs announced

Exploration Activities Report

Due to the annual monsoonal wet season prevalent in the Cloncurry region, the current quarter has seen little field activities across all the Company's projects. Instead, significant efforts have been made to keep the tenements in good standing by completing statutory reports, conducting metallurgical test work and lag geochemical surveys. In addition, cost-saving measures have been taken and the field team was scaled down at the end of December 2011 to coincide with the wet season.

Statutory reporting

A total of 14 annual reports were completed across the Company's tenement holdings in the Cloncurry region during the quarter. This included 6 annual reports from the White Range project area, 4 annual reports from the Cloncurry North project area, 3 annual reports from the Mt Norma project area and 1 annual report from the Duck Creek project area. Seven out of the 14 reports are the first annual report for the tenements since granted/acquired over the last one and half years and hence extensive review of historical data accumulated since the 1950s has been undertaken. Work of this kind plays an important role in area selection and follow-up exploration by QMC.

Metallurgical tests for QMC gold projects

A suite of 24 samples consisting of diamond core and RC chip composites weighing about 2 kg each were dispatched to Amdel Limited laboratory in Adelaide for metallurgical testing. Twelve samples were obtained from the Gilded Rose gold project while the other 12 samples came from the Mt Freda gold project located some 25 km south of Gilded Rose. The samples selected for this metallurgical test represented different grade, ore type and locality across the ore body.



Both cyanidation and gravity separation tests were conducted on the samples from each project. Preliminary results indicate excellent cyanide leaching extraction of gold at a crushing size of approximately 80% passing 75µm. Gold recovery varies from 70.5 to 97.65% for all the samples submitted; 5 out of 6 samples from Gilded Rose achieved a recovery of more than 95.9% whilst 5 out of 6 samples from Mt Freda returned an average gold recovery of 86.08%. In addition, several samples from both Gilded Rose and Mt Freda showed quite effective recovery from gravity concentration. Additional tests have been planned with a goal to develop a conceptual processing flowsheet as part of the study proposed for these two gold projects. The Company is in ongoing discussions with several neighbours, although further drilling to define the ore bodies with potential to increase resources is required in order to progress these initiatives.

Lag sampling in EPM 15858 “Sunny Mount”

The “Sunny Mount” EPM15858 is located approximately 23km SSE of Cloncurry and forms part of the Company’s White Range project. The tenement is comprised of 10 sub-blocks in 4 discrete segments. In order to identify areas with potential for discovery of Greenmount style of copper mineralization, a lag sampling program was proposed to cover the entire EPM. The program consists of a total of 282 samples spaced 350 metres apart and so far 137 samples have been collected. Once completed, the samples will be sent away for assaying and the results will then be reported.

Soil sampling at EPM16976 “Mt Sheaffer”

The Company has commenced soil sampling across the Mt Sheaffer tenement to identify mineralisation and drill targets. This work is ongoing.

‘Just There’

The Company announced in January 2012 and reported in the previous Quarterly Report on the encouraging assay results from the ‘Just There’ copper – gold project where a large iron oxide copper gold system was identified with a combined strike length over 3 km.

‘Just There’ is one of seven copper – gold projects located on EPM17602 where QMC has earned in 70% to the tenement with Orion Gold NL owning 15% and Findex Pty Ltd 15% (free carried to a ‘decision to mine’)

Capital Raising

In February the Company placed 78.2 million ordinary shares with TAM Q Copper Pty Ltd (now known as Great Tang Brothers Resource Pty Ltd (GTB) at a price of 5.5 cents per share to raise \$4,301,000. The capital raising was at a premium of 36.5 % to the preceding 5 day VWAP. The funds were raised to fund the White Range feasibility study, further drilling in support of the feasibility study and general exploration on other tenements and general administration and working capital. GTB is the largest shareholder, with a holding currently representing 15.25% of the Company.



As part of the consideration for the capital raising, subject to shareholder approval (see below), QMC agreed to allot and issue to GTB 1 unlisted option for every 2.5 placement shares at an exercise price of 8 cents each with the options to expire on 30 November 2012. The number of options to be issued in the event of shareholder approval is 31,280,000 and if all options are exercised by GTB by 30 November 2012 it will raise an additional \$2,502,400 for the purposes stated above.

Bob Besley Appointed as a Non- Executive Director

In March 2012, Mr Bob Besley was appointed a non-executive director of the Company. Mr Besley is a highly respected geologist with over 45 years experience in the minerals industry in Australia and internationally. He is a mining advisor to THTF Australia Mining Pty Limited (THTF), a shareholder of GTB. In addition, Mr Bob Besley is a director and shareholder of Blackbird Commodity Partners Pty Limited, whose sole investment is a small shareholding in GTB.

Ms Cathie Wu, the Managing Director of THTF Australian Mining Pty Ltd, was appointed Mr Besley's alternate director. Ms Wu has a strong background in business analysis and is involved in corporate investment in the mining industry.

Calder Maloney appointed as Consulting Engineers and Project Study Managers for White Range Feasibility Study

In the previous Quarterly Report the Company stated that discussions had commenced with third parties in relation to the appointment of consultant firms to provide specialist advice to QMC in relation to the White Range feasibility study. As recently announced, QMC has now appointed Calder Maloney Pty Ltd as consulting Engineers and project study managers for its flagship White Range feasibility study. The feasibility study is planned over three phases and Calder Maloney have indicated that the final study should be completed by June 2013. This is a major focus for the Company over the next year.

The Company is in discussions with other parties to provide specialist advice as part of the feasibility study.

Drilling Program

As outlined in the Quarterly Report for the period ending 31 December 2011, QMC had refined its drilling program with the primary objective being the support of the development of the White Range project. Presently, the first stage of drilling planned is circa 7,000 metres of RC and diamond drilling at Greenmount, Toby Barty and Black Fort (see Fig 1 and Fig 2). The drilling program on the Greenmount tenement is aimed at delivering resource confidence and further metallurgical cores for test work for the feasibility study. It also includes drilling the Surprise gold anomaly on the Greenmount ML. A program of sterilisation drilling has also been designed.

Queensland Mining Corporation

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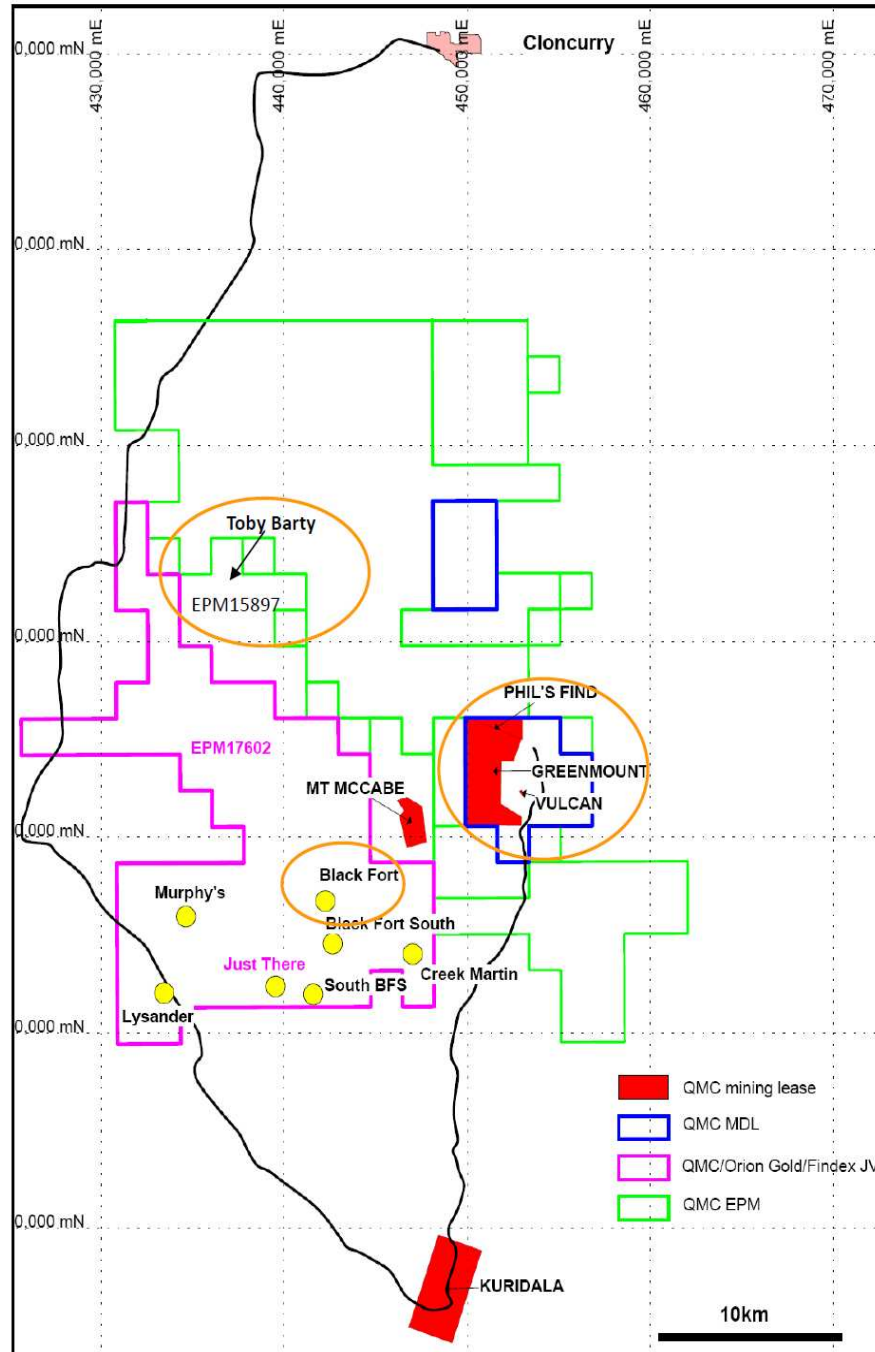


Fig 1 Greenmount, Toby Barty and Black Fort location map

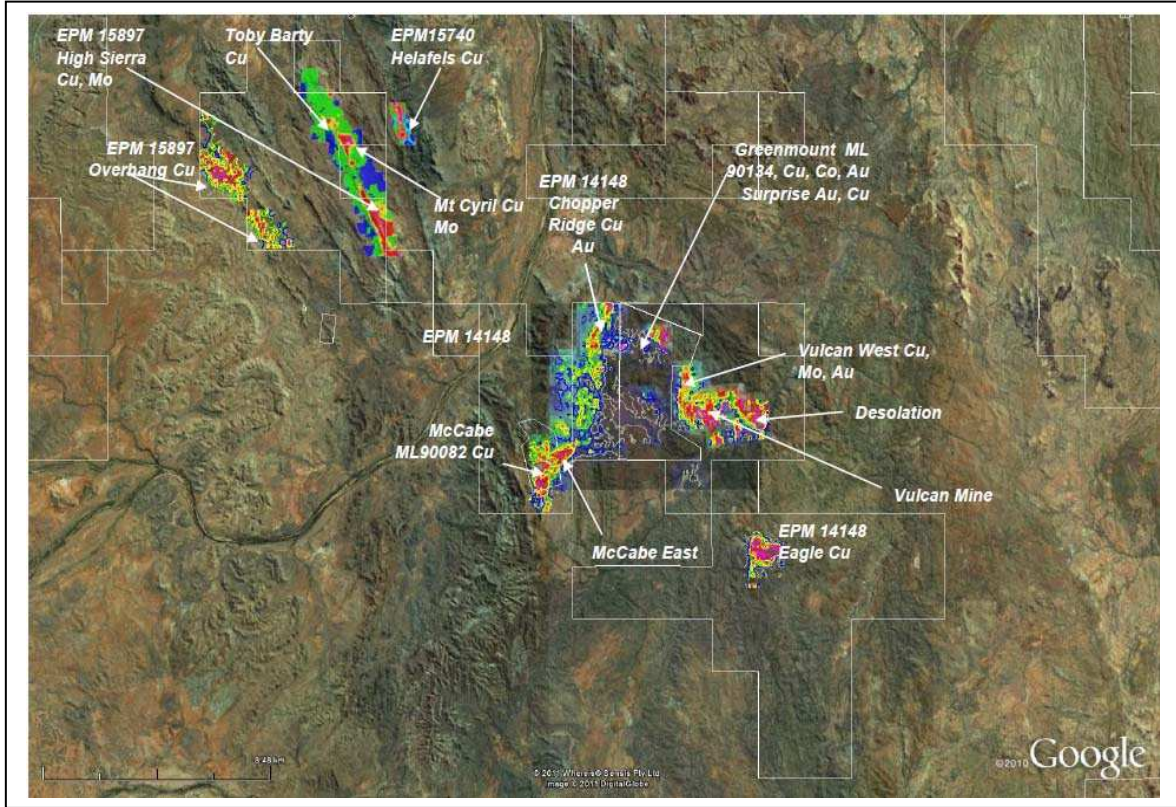


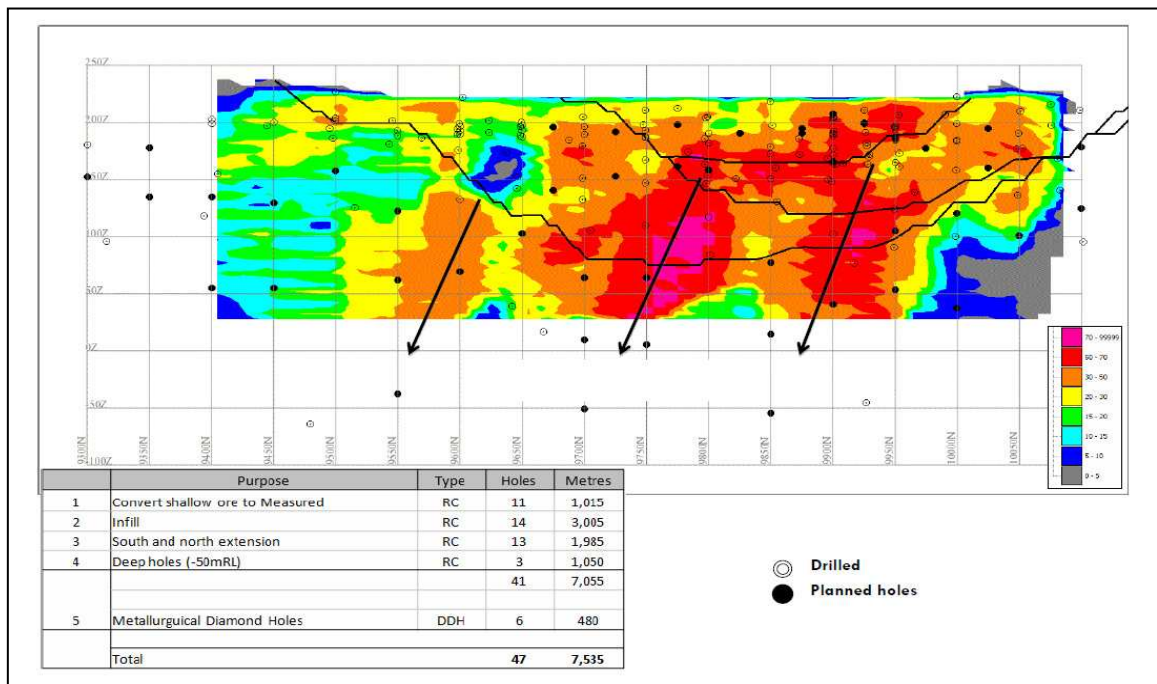
Fig 2 White Range soil geochemical anomalies map



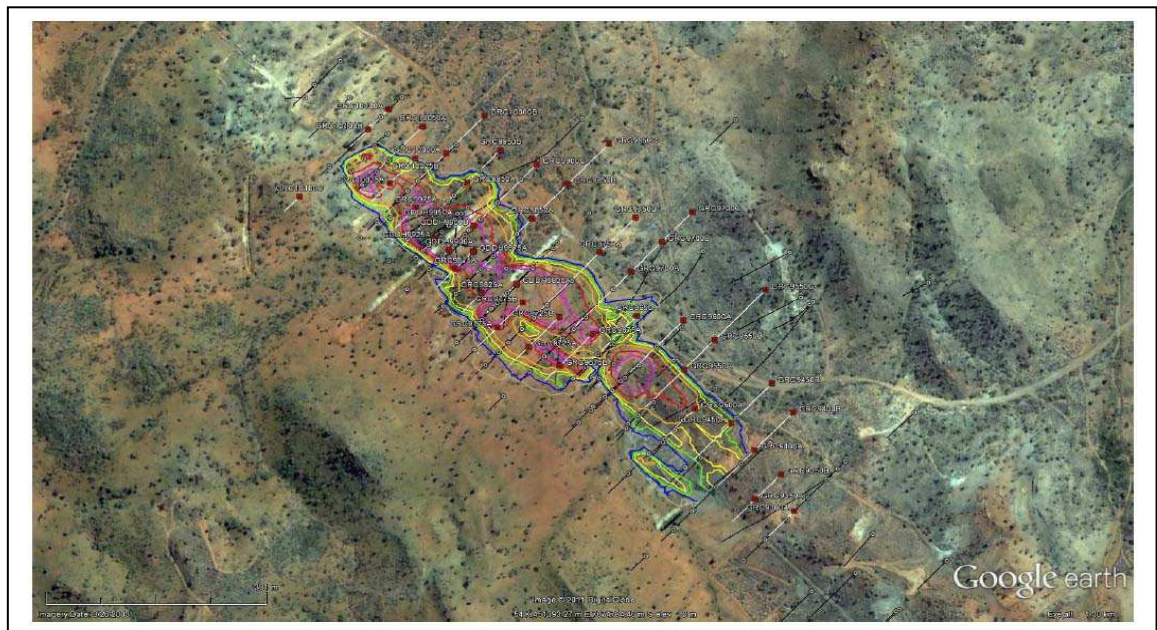
Greenmount

Greenmount is a tier 1 copper asset of the flagship White Range Project. Working with our in-house team and consultants QMC has prepared a detailed resource delineation drilling program for Greenmount. This is a key component of the feasibility study. A summary outline of this program is summarized below:

- o Long Section of Greenmount showing drill holes

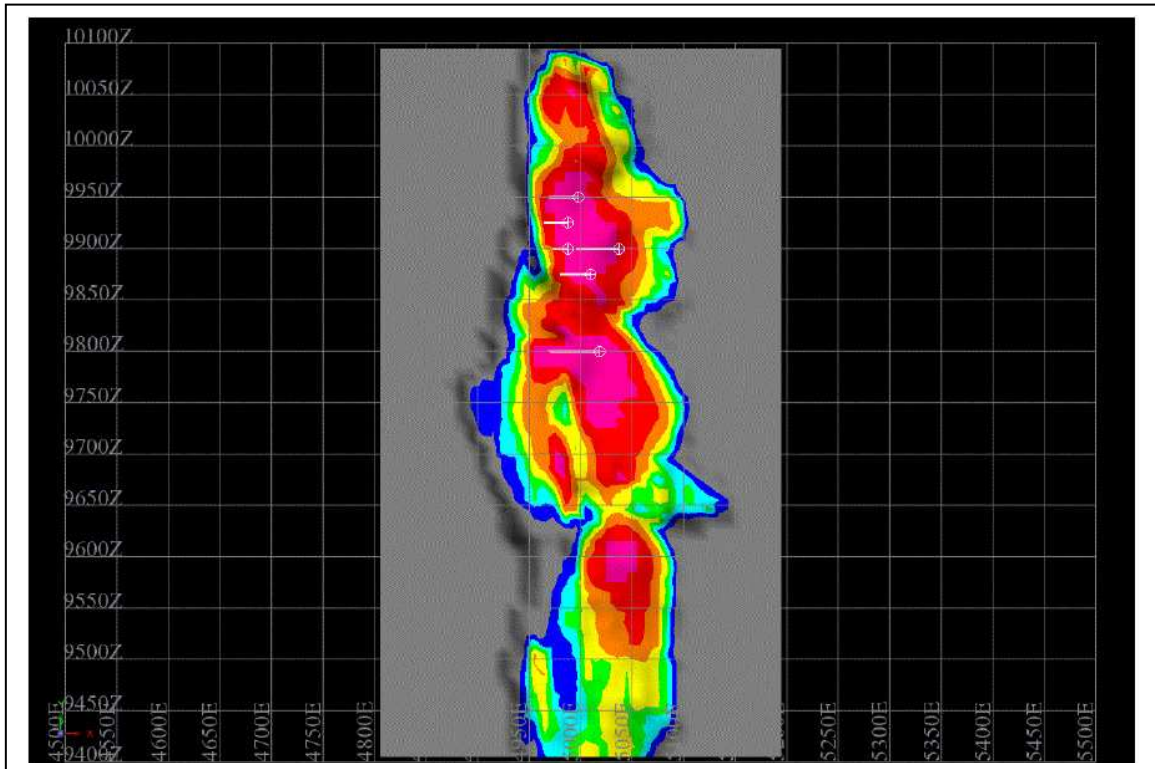


- o Greenmount drill holes location

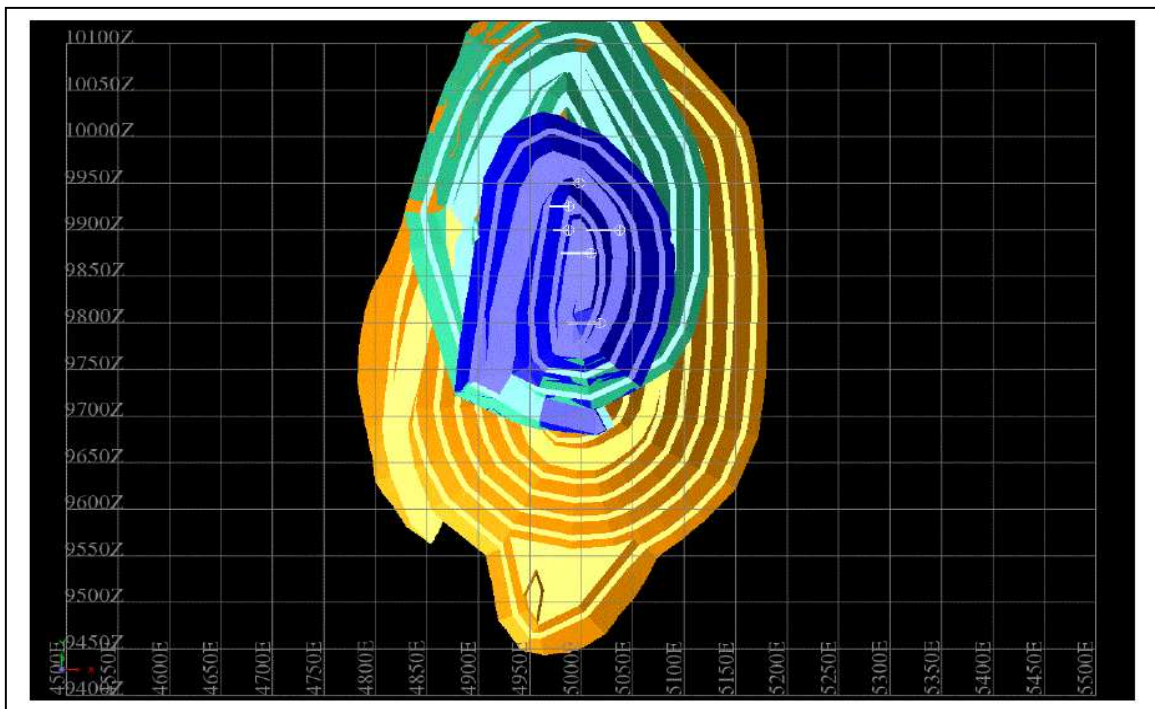




- Proposed Geomet PQ drill holes w/i grade-thickness projection

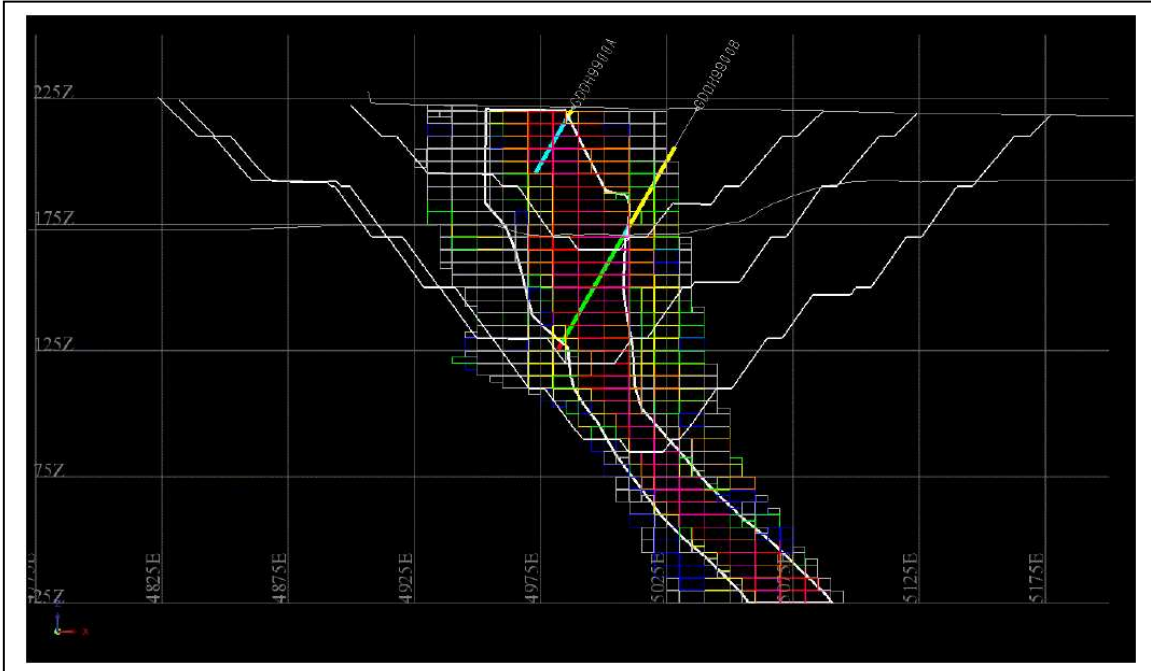


- Proposed Geomet PQ drill holes w/i 2005 BFS pit shells (bule = starter)

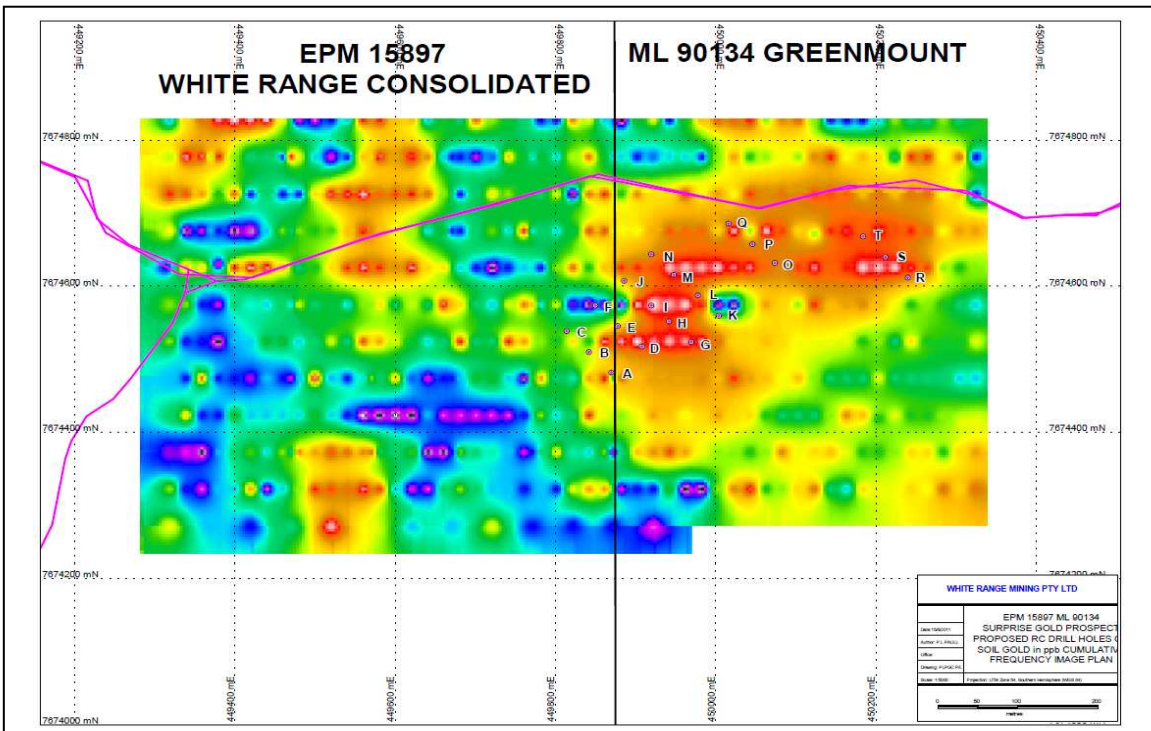




- Proposed Geomet PQ drill holes on 9900N cross section with pit shells



- Surprise Gold prospect proposed RC drill holes (within EPM15897 White Range consolidated and ML90134 Greenmount)





Toby Barty

An RC drilling program has also been planned for phase 1 at Toby Barty (840 metres) to follow up original drilling by Majestic where the former owners, Matrix Metals, identified a potential target resources (see Fig 3 and Fig 4).

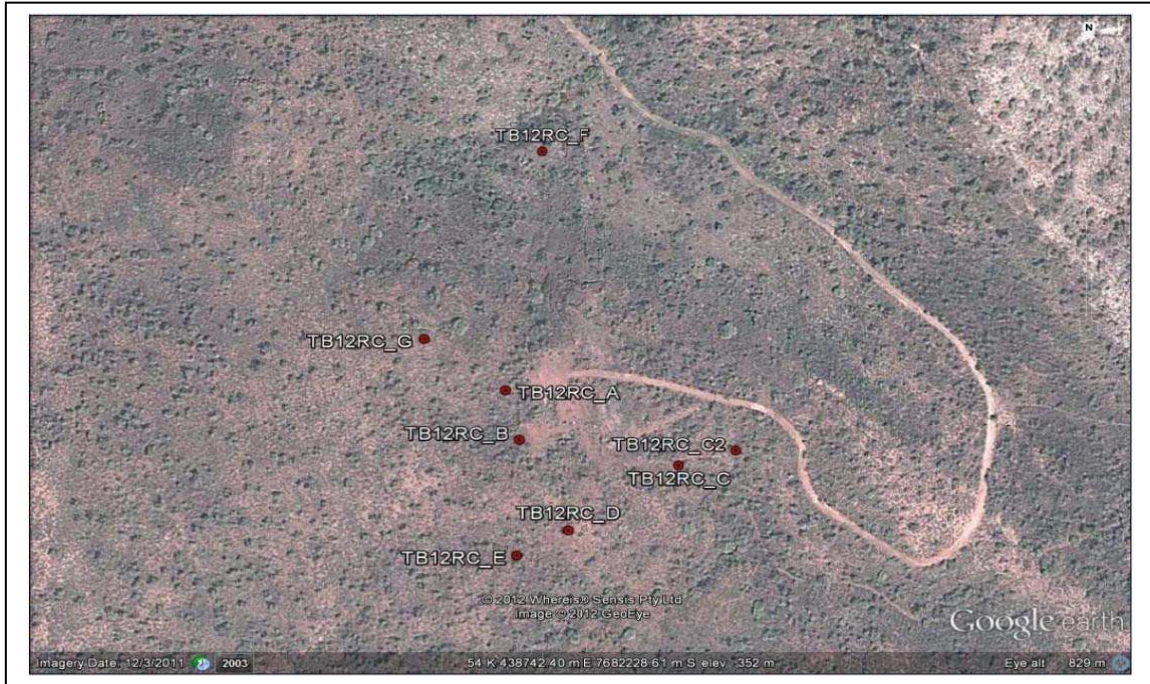


Fig 3 Toby Barty drill hole location

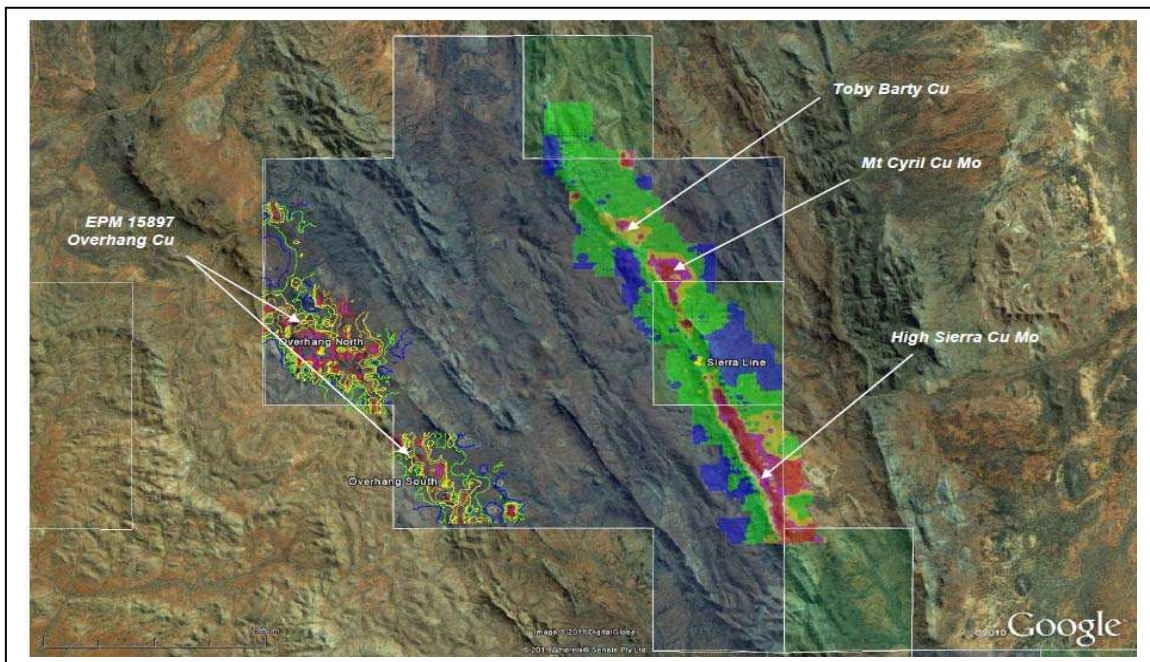


Fig 4 Toby Barty (within EPM15897White Range Consolidated) location map



Black Fort

Further, a 1,000 metre diamond and RC drilling program has been planned at Black Fort, an IOGC target (see Fig 5). This program is designed to follow up a significant large intersection previously encountered and re-entering 3 holes with the diamond rig that were not completed earlier. Black Fort is on EPM 17602, which is a joint venture with Orion Gold NL and Findex Pty Ltd where the Company has earned in 70%. This drilling program is subject to discussions with the Company's joint venture partners.

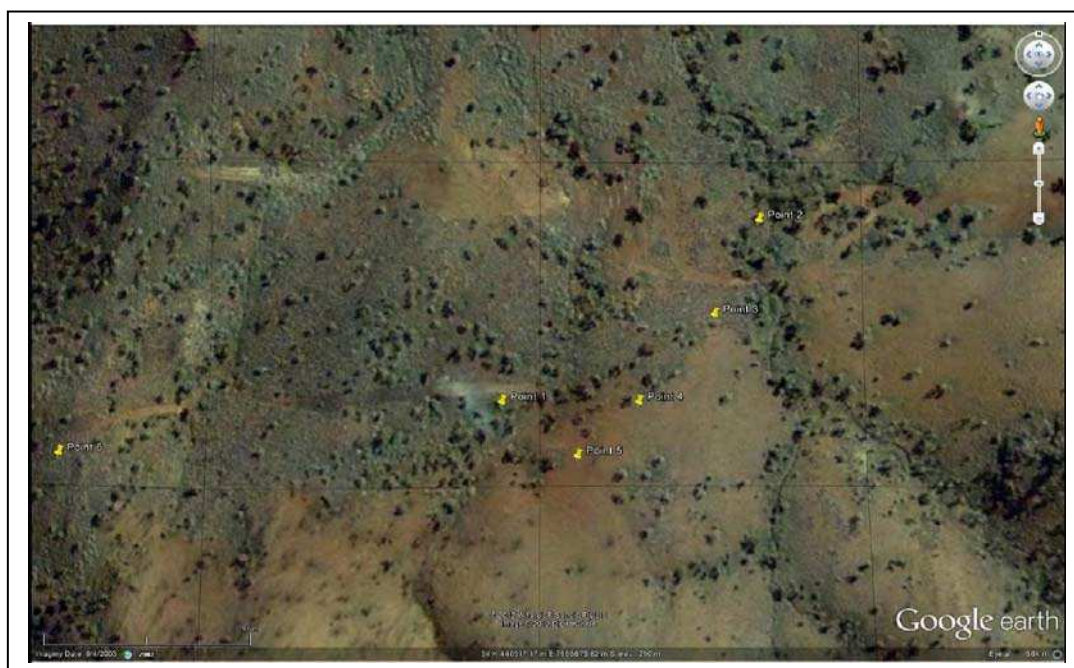


Fig 5 Black Fort drill hole location map

Kelly Drilling have been contracted to carry out the drilling under the supervision of the Company's field geologists led by Dr Guojian Xu, Exploration General Manager and Dr Jon Gilligan, senior consultant. Drilling will commence shortly, subject to weather, permitting and rig availability. An interim camp is to be located at Martin Creek to support this drilling program.

Third Party Processing

The Company has been approached to consider providing oxides and sulphides for processing near Cloncurry. QMC is assessing potentially suitable deposits to supply ore subject to meeting grade and quantity criteria. This assessment is taking place in tandem with the evaluation of the White Range feasibility study to ensure the optimal outcome for the Company.

Share Trading Policy

On 29 February 2012 the board resolved to amend QMC's Share Trading Policy to permit trading by 'Designated Officers' during blackout periods in exceptional circumstances. The current Share Trading Policy can be accessed on the Company's website.

Queensland Mining Corporation

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ABN Newswire Presentation

On 6 February 2012, Mr Howard Renshaw, Managing Director of QMC, gave a presentation to the broker and investor community at the ABN Newswire Investorium forum in Sydney. The presentation was streamed live to Australian and Asian subscribers. The presentation paper has been uploaded to the QMC website.

Issued Capital and Cash position at 31 March 2012

Ordinary shares on issue:	510,892,022
Options on issue:	- Listed: 72,586,589* - Unlisted: 33,050,000
Cash on hand at 31 March 2012	\$3,515,000

*The listed options of \$0.20 each expire 31 May 2012 unless exercised prior to that date.

Half Yearly Report for period ending 31 December 2011

The Company submitted its Half Yearly Report for the period ending 31 December 2011 on 15 March 2012. The independent auditor's review of QMC's accounts was signed off by PKF Chartered Accountants and Business Advisers.

Tenements

During the last quarter period and up to today's date the transfer of title of a number of tenements previously acquired by the Company have now been completed, as follows:
EPM 15859 Split Rock; ML 2541 Belgium; ML 2510 Southern Cross; ML 2530 Marguarita; ML 2531 Brilliant; ML 2532 Alone Hand; ML 2533 Jessie; ML 2535 Sally; ML 2537 Dulce; ML 2538 Deb; ML 2539 Comet; ML 2540 Belfast; ML 2543 Jackley; ML 2544 Dulce Extended No 2; ML 2545 Mascotte; ML 2547 Barroness; ML 2548 Dandy; ML 2549 Trump; ML 2552 Yoomoo King; and ML 2553 Yoomoo West.

Subsequent Events

Extraordinary General Meeting (EGM) to be Convened

Pursuant to the terms of the placement to GTB (as referred to above), the Company agreed to requisition an EGM of its shareholders to vote on and, if successful, approve the allotment and issue of 31,280,000 unlisted options to subscribe for shares in the Company to GTB. The options are at an exercise price of \$0.08 each and are to expire on 30 November 2012, if not exercised before that date.

An EGM has been proposed for late June 2012 and a Notice and Explanatory Memorandum will be sent to shareholders to convene the EGM.

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In addition to the resolution to issue options to GTB, there are several other matters that the Company proposes to put to shareholders at the EGM. Full details will be published in the Notice and Explanatory Memorandum.

For further details please contact:

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The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Guojian Xu, a Member of Australasian Institute of Mining and Metallurgy and a Fellow of the Society of Economic Geologists. Dr Guojian XU is a consultant to Queensland Mining Corporation Limited through Redrock Exploration Services Pty Ltd. Dr Xu has sufficient experience deemed relevant to the style of mineralization and type of deposit under consideration and to the activity, which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting Results, Mineral Resources and Ore Reserves. Dr Xu consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

Queensland Mining Corporation Limited

ABN

61 109 962 469

Quarter ended ("current quarter")

31 MARCH 2012

Consolidated statement of cash flows

	Current quarter	Year to date (6 months)
Cash flows related to operating activities	\$A'000	\$A'000
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration & evaluation	(762)	(4,105)
(b) development		
(c) production		
(d) administration	(668)	(1,817)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	13	58
1.5 Interest and other costs of finance paid	(161)	(383)
1.6 Income taxes paid		
1.7 Other – GST refund	51	235
- R & D grant received		140
Net Operating Cash Flows	(1,527)	(5,872)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects		
(b)mining assets		
(c) other fixed assets	(57)	(85)
1.9 Proceeds from sale of: (a)prospects		
(b)equity investments		
(c)other fixed assets		
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other		
Net investing cash flows	(57)	(85)
1.13 Total operating and investing cash flows (carried forward)	(1,584)	(5,957)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(1,584)	(5,957)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, net.	4,065	5,476
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings	-	3,000
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (prior quarters issue cost)		
	Net financing cash flows	4,065	8,476
Net increase (decrease) in cash held			
		2,481	2,519
1.20	Cash at beginning of quarter/year to date	1,034	996
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter (see note "reconciliation of cash at para 5)	3,515	3,515

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	125,454
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

Payment to Butmall Pty Ltd for the provision of management, financial and corporate services to QMC pursuant to a contract. Howard Renshaw is a director of Butmall Pty Ltd	30,000
Payment to DFK – Richard Hill Pty Ltd of which Richard Hill is a director	
- Company secretarial, director's fees and company admin (3 months)	30,000
- Additional items – ½ yearly statutory accounts	25,000
- Assistance with fund raising Document, due diligence, other ancillary items including services rendered in prior period	17,704
Payment to Brian J Rear Pty Ltd of which Brian J Rear is a director	22,750
-Consultancy services and director fees	

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

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+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities		
3.2 Credit standby arrangements		

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	1,200
4.2 Development	
4.3 Production	
4.4 Administration	550
Total	1,750

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	54	12
5.2 Deposits at call (refer to note below)		
5.3 Bank overdraft		
5.4 Other – Online saving account	3,461	1,022
Total: cash at end of quarter (item 1.22)	3,515	1,034

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	Nil			
6.2 Interests in mining tenements acquired or increased				

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities (<i>description</i>)				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	510,892,022	510,892,022		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs		80,094,545		
7.5 +Convertible debt securities				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options				
<i>Listed</i>	30,000,000	30,000,000	<i>Exercise price</i> 20 cents	<i>Expiry date</i> 31/05/2012
	1,000,000	1,000,000	20 cents	31/05/2012
	4,700,000	4,700,000	20 cents	31/05/2012
	8,690,000	8,690,000	20 cents	31/05/2012
	28,196,589	28,196,589	20 cents	31/05/2012
	<u>72,586,589</u>	<u>72,586,589</u>		
<i>Unlisted</i>	7,000,000	Nil	35 cents	16/03/2013
	1,675,000	Nil	25 cents	30/11/2012
	3,050,000	Nil	10 cents	30/11/2012
	12,050,000	Nil	10 cents	30/11/2012
	1,225,000	Nil	20 cents	30/11/2012
	6,000,000	Nil	10 cents	30/11/2014
	2,050,000	Nil	10 cents	30/11/2014
	<u>33,050,000</u>			

+ See chapter 19 for defined terms.

7.8	Issued during quarter			
7.9	Exercised during quarter			
7.10	Expired during quarter			
7.11	Debentures <i>(totals only)</i>			
7.12	Unsecured notes <i>(totals only)</i>			

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act [or other standards acceptable to ASX \(see note 4\)](#).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: _____ Date: 30 April 2012
Company Secretary

Print name:

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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