

QUEENSLAND MINING CORPORATION LIMITED

RESOLUTION 1- REMOVAL OF HOWARD RENSHAW AS A DIRECTOR

STATEMENT BY HOWARD RENSHAW IN SUPPORT OF HIS RETENTION AS A DIRECTOR OF THE COMPANY

A group of shareholders, including Dr Jayaweera, have requisitioned for the removal of three directors on the current board of directors. Since making that requisition the Chairman, David Usasz, has resigned effective 28 February 2012 and Richard Hill did not seek re-election as a director at the 2012 AGM.

I am the only director left that they want to get rid of, and then appoint Dr Jayaweera. They have put pressure on me to resign but to date I have not given in to that pressure.

I believe shareholders, not associated with these interests, should vote against the resolution to remove me as a director and against the appointment of Dr Jayaweera.

The only independent director on the Company's Board would be, Brian Rear. If Dr Jayaweera and his connections are successful, the Board will consist of, apart from Brian Rear, Cathie Wu (ex managing director of a significant shareholder (THTF Australia Mining Pty Ltd) of Great Tang Brothers and now the nominee of Perfect Nation Global on the Company's Board) and Robert Besley, a nominee of Great Tang Brothers.

I believe, given my knowledge of the operations of the Company, that I am well placed to represent the interests of minority shareholders, of which I am one, who continue to support me and the Company.

Dr Jayaweera has sought to suggest that the Board consists of persons, including me, who are poor managers. I refute this suggestion.

As members would be aware, I founded the Company in July 2004, and was its Managing Director until 23 October 2012. Since that time, I have maintained my commitment to the Company, in the capacity of non-executive director. During my tenure as Managing Director, I oversaw the successful listing of the Company on the ASX as well as the acquisition of significant assets, namely:

- White Range Mines Pty Ltd (the White Range Project);
- North Queensland Mines Pty Ltd (Duck Creek and Young Australian mining leases) and Mt Norma copper operations; and
- Spinifex Mines Pty Ltd (Mt Freda/Evening Star and Gilded Rose Gold Mines).

During my time as Managing Director of the Company, the JORC resources of the Company have gone from zero to JORC resource categories consisting of 296,000 tonnes of copper, 27.95 million lbs of cobalt and 325,112 ounces of gold and I expect these resource categories to increase substantially above this level following completion of this year's drilling program. So in 4 years since listing, the Company has established significant JORC resources which it is now in the process of exploiting.

I do not accept, as Dr Jayaweera asserts, that the Company's overheads are "significantly higher than its competitors". The Company is spending money to exploit a significant resource. In the drilling seasons 2010, 2011 and 2012, the Company has carried out:

- 35,093m of RC and diamond drilling;
- 30,800 of drilling assays; and
- 4,986 Lag and soil geochemistry assaying.

It is easy for an outsider to assert that the Company needs to instigate significant cost cutting measures, but to build a significant Company and add value to shareholders, you need to spend money. This is what the Company is doing. From July 2010 to September 2012 the Company has raised \$20.8 million and applied \$7 million of that to the acquisition of Matrix and \$13.8 million to the exploration and development of the Company's assets.

I believe the potential of the Company is soon to be realized and do not, as a director or shareholder in the Company, wish control of the Company's significant resources to move to the major shareholders without a control premium being paid. The Company needs an independent board not one dominated by the nominees of the major shareholders.

The Company has been and is currently focusing on the "White Range" project, joint ventures and early cash flow opportunities (e.g. the possible sale, development or joint venture of the gold prospects). The potential value of the Company is expected to be demonstrated by the price expected to be paid by Xstrata Limited for a 51% interest in the Roseby project area, which is in the Cloncurry district.

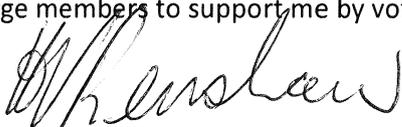
I believe the interests of shareholders outside the majority grouping are best served if I and others, like Brian Rear, continue as directors.

I also urge shareholders not to vote in favour of the election of Dr Jayaweera as a director of the Company.

Dr Jayaweera states that he resigned from his consultancy with the Company in frustration in late October 2012. In my view this was not the reason, nor the circumstances in which, he resigned as a consultant to the Company. Dr Jayaweera's resignation as a consultant was accepted by the Company because of his agitation to be the CEO and a director of the Company. This was contrary to his role as a consultant to the Company.

Lastly, I would like to draw shareholders' attention to the ASX announcements from QMC in relation to the significant drilling results at Greenmount and Young Australian which will show a major enhancement of resources as part of the White Range project from the end of season drilling program which was carried out under my guidance as the CEO of QMC before my announced retirement.

I urge members to support me by voting against the resolution to remove me as a director.



Howard Renshaw
18 December 2012