

**Queensland Mining Corporation**  
LIMITED



ABN 61 109 962 469  
Level 24  
Royal Exchange Building  
56 Pitt Street  
SYDNEY NSW 2000 AUSTRALIA  
GPO Box 4876  
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12 October 2009

ASX Limited  
20 Bridge Street  
Sydney NSW 2000

**NOTICE OF GENERAL MEETING/PROXY FORM**

Queensland Mining Corporation Limited (ASX: QMN) attaches the following;

- Notice of General Meeting and Explanatory Memorandum
- Proxy Form

Yours faithfully,

**QUEENSLAND MINING CORPORATION LIMITED**

**Richard Hill**  
Company Secretary

**Queensland Mining Corporation**  
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**NOTICE OF GENERAL MEETING**

This Notice of Meeting and Explanatory Memorandum should be read in its entirety. If members are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Notice is hereby given that a General Meeting of the shareholders of Queensland Mining Corporation Limited (Company) will be held at 11:00 a.m. Thursday 12 November 2009 at the offices of Novus Capital Ltd, 56 Pitt Street, Sydney, New South Wales for the purpose of transacting the business referred to in this Notice of General Meeting.

The Explanatory Memorandum that accompanies and forms part of this Notice of General Meeting describes the matters to be considered.

**AGENDA**

**Resolution 1- Ratification of the Issue of 30,701,751 Ordinary Shares Pursuant to ASX Listing Rule 7.4**

To consider, and if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

*“That in accordance with ASX Listing Rule 7.4, the Company ratifies and approves for the purposes of ASX Listing Rule 7.1, the issue of 30,701,751 fully paid ordinary shares in the capital of the Company, details of which are set out in the explanatory notes in the Notice of Meeting.”*

**Voting Exclusion Statement**

The Company will disregard any votes cast on resolution 1 by any person who participated in the issue, or their associates. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

**Resolution 2- Approval of Issue of Ordinary Shares Pursuant to ASX Listing Rule 7.1**

To consider, and if thought fit, pass the following resolution:

*“The Company approves for the purposes of ASX Listing Rule 7.1 and for all other purposes, the issue of up to a maximum of 36,000,000 fully paid ordinary shares in the capital of the Company, on the terms which are set out in the explanatory notes to resolution 2 in the Notice of Meeting.”*



#### Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 2 by a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed; or their associates. As such, a shareholder who casts a vote under this “Resolution 2” cannot be issued shares unless their vote has been disregarded.

However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

#### **Resolution 3- Approval of Issue of Options Pursuant to ASX Listing Rule 7.1**

To consider, and if thought fit, pass the following resolution:

*“The Company approves for the purposes of ASX Listing Rule 7.1 and for all other purposes, the issue of up to a maximum of 12,000,000 options (strike price 25c), on the terms which are set out in the explanatory notes to resolution 3 in the Notice of Meeting.”*

#### Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 3 by a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed; or their associates. As such, a shareholder who casts a vote under this “Resolution 3” cannot be issued options unless their vote has been disregarded.

However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

#### **Resolution 4- Approval of the Terms of Convertible Notes Pursuant to ASX Listing Rule 7.1**

To consider, and if thought fit, pass the following resolution:

*“The Company approves for the purposes of ASX Listing Rule 7.1 and for all other purposes, the issue of convertible notes in the capital of the Company on the terms which are set out in the explanatory notes to resolution 4 in the Notice of Meeting.”*

#### Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 4 by a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed; or their associates. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person



who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

By order of the Board  
Queensland Mining Corporation Limited

Richard Hill  
Company Secretary  
Dated: 9 October 2009

NOTES:

1. The chairman intends to vote all undirected proxies in favour of all resolutions except where a voting restriction applies.
2. A shareholder entitled to attend and vote at this meeting is entitled to appoint not more than two proxies to attend and vote instead of the shareholder. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the shareholder's voting rights. A proxy need not be a shareholder of the Company.
3. A proxy form accompanies this notice of meeting and contains additional information
4. To be valid, duly completed proxy appointment authorities under which a proxy form is signed, such as a power of attorney, must be received by the Company at an address specified in the proxy form no later than 48 hours before the time in Sydney; of the commencement of the meeting.
5. A proxy form and proxy appointment authorities may be lodged in person or mail at the registered office at DFK-Richard Hill, Level 11, 32 Martin Place, Sydney NSW 2000 Australia or at the Share registry at Registries Limited, Level 7, 207 Kent Street, Sydney NSW 2000, GPO Box 3993 NSW 2001 Australia or by facsimile to 612 9279 0664.
6. For the purpose of the meeting, shares in the Company will be taken to be held by those persons who are registered holders at the close of business on 10 November 2009. Accordingly, transactions registered after that time will be disregarded in determining entitlement to attend and vote at the meeting.
7. The constitution of the Company provides that a quorum for a general meeting of the Company is two shareholders.



## **EXPLANATORY MEMORANDUM**

This Explanatory Memorandum has been prepared for the information of shareholders in connection with the General Meeting of shareholders to be held on 12 November 2009 at 11:00 a.m. (Sydney time) at the offices of Novus Capital Ltd, Sydney, New South Wales.

This Explanatory Memorandum should be read in conjunction with the accompanying notice of General Meeting and is a brief explanation of the matters contained in the notice of General Meeting.

## **RESOLUTION 1**

### **Ratification of Issue of 30,701,751 Ordinary Shares Pursuant to ASX Listing Rule 7.4**

The following provides a brief explanation as to the ASX listing rule and the purpose of the ratification.

ASX Listing Rule 7.1 imposes a cap of 15% of the Company's issued capital that a company may issue in a 12 month period without Shareholder approval. The allotment of 30,701,751 fully paid ordinary shares is within this limit.

Under Listing Rule 7.4, the Company can seek shareholder ratification of an issue made within the 15% limit, and, if given, the effect of the ratification is to deem that the shares issued were issued with shareholder approval. This effectively restores the Company's 15% placement capacity.

The Company seeks this ratification in order to restore the Company's 15% placement capacity. Ratification provides the Company with flexibility in capital management.

The following information is provided to Shareholders for the purposes of Listing Rule 7.5:

- (i) The number of Shares allotted was 30,701,751;
- (ii) As announced to the ASX on various dates prior to the date of the meeting;
  - 2,375,000 shares were issued at 8 cents each
  - 875,000 shares were issued at 8 cents each
  - 27,451,751 shares were issued at 15 cents each
- (iii) The shares have been issued on the same terms as the Company's existing Shares. The issued securities will rank equally in all respects with the shares already on issue;
- (iv) The shares were allotted to professional or sophisticated investors; and



- (v) The funds raised by the issue are intended to be used to support the budgeted working capital requirements of the Company to 30 June 2010 as follows:

<b>Intended Application of Funds</b>	<b>\$</b>
Discharge of Convertible Notes	2,500,000.00
Exploration Personnel expenditure- to 30/06/2010	700,000.00
Exploration Support expenditure- to 30/06/2010	300,000.00
Financing Expenses	500,000.00
General & Administration Expenses	377,762.65
<b>Total funds raised through issue of 30,701,751 shares</b>	<b><u>4,377,762.65</u></b>

## **Resolution 2 – Approval of Issue of Ordinary Shares Pursuant to Listing Rule 7.1**

The Board seeks shareholder approval for the issue of up to 36,000,000 fully paid ordinary shares in the Company. The shares will be issued at a price which will be at least 80% of the weighted average market price of the Company's shares, in order to raise approximately \$10,800,000.

The following provides a brief explanation as to the ASX Listing Rules and the purpose of the resolution.

ASX Listing Rule 7.1 imposes a cap of 15% of the Company's issued capital that a company may issue in a 12 month period without Shareholder approval. The issue of up to a maximum of 36,000,000 fully paid ordinary shares is above the 15% limit and therefore requires shareholder approval.

Pursuant to listing rule 7.3.2, the Company must issue these securities within three months from the date of this meeting.

As outlined above, and in accordance with listing rules 7.3.1 and 7.3.3, the Company can issue up to a maximum of 36,000,000 shares at a price which will be at least 80% of the average market price for securities in that class to raise approximately \$10,800,000. The average market price is calculated over the last 5 days on which sales in the securities were recorded before the day on which the issue was made.

The names of the allottees are not yet known, however, allottees will be sophisticated or professional investors, or clients of Licensed Securities Dealers. The allottees will not include any related parties. The issued securities will rank equally in all respects with the shares already on issue. Allotment will occur progressively.



The Company will use the funds raised to recommence drilling operations on selected tenements, scoping studies to develop mining operations, develop mining operations and/or enhance production for processing of copper and gold products and for acquisition opportunities. The following expenditure estimates are proposed subject to the above capital raisings;

<b>Project Type</b>	<b>Project</b>	<b>Budgeted Expenditure</b>
Gold	Mt Freda	1,000,000
	Gilded Rose	700,000
	Duck Creek EPMs & MLs	300,000
	Evening Star	300,000
High Impact Copper	Flamingo MLs	700,000
	Morris Creek EPM	400,000
	Jessievale EPM	100,000
	Mount Norma ML & EPM	200,000
	Young Australian	300,000
<b>Total Drilling, Geological &amp; Associated Expenses</b>		<b>\$4,000,000</b>
Working Capital/ Geological Assessment & Technical Office Expenditure		1,800,000
Loan Repayment		2,500,000
Acquisitions		2,500,000
<b>Total</b>		<b>\$10,800,000</b>

In accordance with Listing Rule 7.1, the Company will also be entitled to place up to 15% of its then issued capital without requiring the approval of Shareholders.

### **Resolution 3 – Approval of Issue of Options pursuant to listing rule 7.1**

The Board seeks shareholder approval for the issue of up to 12,000,000 options (strike price 25c) to subscribe for fully paid shares in the capital of the Company. The principle terms of the options are as follows;

- The options are issued for no consideration based on the 36,000,000 ordinary shares per resolution 2 on a 1 for 3 basis.
- Up to 12,000,000 options may be exercised in the Exercise period commencing from 6 November 2009 and expiring on 30 September 2010 at an exercise price of \$0.25 for each option exercised.



- Pursuant to Listing Rule 7.3.2, the Company must issue these securities within three months from the date of this meeting.
- The names of the allottees are not yet known, however, allottees will be sophisticated or professional investors, or clients of Licensed Securities Dealers. The allottees will not include any related parties
- Shares issued upon the exercise of the options shall rank pari passu in all respects with the existing shares of the Company;
- The Company will apply for Shares issued upon the exercise of options to be quoted on the ASX
- The terms of the options allow the rights of an option holder to be changed to comply with the listing rules applying to a reorganisation of capital at the time of the reorganisation.
- During the currency of the Optionholder's option and before its exercise, the option holder is not entitled to participate in any new issue of securities of the Company as a result of holding the option.
- In the event of a pro-rata rights issue (except a bonus issue) to the holders of shares, the Exercise Price of an Option may be reduced pursuant Listing Rule 6.22.2
- If the Company makes a bonus issue, the holder of options which have not expired at that time for determining entitlements to the bonus issue shall be entitled to have issued to them upon the exercise of any of those options, the number of shares which would have been issued under the bonus issue to the person registered as holding the same if the options had been exercised prior to the entitlement date for participation in the bonus issue.

The full terms of these options will be provided to any shareholder on request.

#### **Resolution 4 – Approval of terms of Convertibles Notes Pursuant to Listing Rule 7.1.**

The Company has entered into Convertible Note Agreements with Novus Nominees Pty Ltd for and on behalf of various parties to assist the Company in carrying out its planned expenditure on projects as outlined below. The terms of the various convertible notes are as follows;





Total number of Convertible Notes of \$1 each:	1,620,000
Date of Issue:	16 September 2009
Term:	3 months from date of issue
Coupon Rate:	10% p.a., nil if converted by the Company
Conversion:	The Company may convert to Equity at any time, subject to shareholders approval, in whole or in part, the issue of up to 10,800,000 ordinary shares on the basis of 6.66 shares to every \$1 of convertible note.

The following expenditure estimates are proposed in relation to the anticipated conversion of notes;

<b>Project Type</b>	<b>Project</b>	<b>Budgeted Expenditure</b>
Gold	Mt Freda	400,000
	Duck Creek EPMs & MLs	120,000
High Impact Copper	Flamingo MLs	250,000
	Mt Norma ML & EPMs	200,000
	Morris Creek EPM	400,000
<b>Total Drilling, Geological &amp; Associated Expenses</b>		<b>\$1,370,000</b>
Acquisitions		250,000
<b>Total</b>		<b>\$1,620,000</b>

Contact Business Telephone / Mobile

## **INSTRUCTIONS FOR COMPLETING PROXY FORM**

1. Your pre-printed name and address is as it appears on the share register of the Company. If you are Issuer Sponsored and this information is incorrect, make the correction on the form, sign it and return it to us. Securityholders sponsored by a broker on the CHESS subregister should advise their broker of any changes. Please note, you cannot change ownership of your securities using this form.
2. Completion of a proxy form will not prevent individual shareholders from attending the Meeting in person if they wish. Where a shareholder completes and lodges a valid proxy form and attends the Meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the Meeting.
3. A shareholder of the Company entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the shareholder's voting rights. If the shareholder appoints two proxies and the appointment do not specify this proportion, each proxy may exercise half of the votes.
4. A proxy need not be a shareholder of the Company.
5. If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your shares are not to be counted in computing the required majority on a poll.
6. If a representative of a company shareholder is to attend the Meeting, a properly executed original (or certified copy) of the appropriate "Certificate of Appointment of Corporate Representative" should be produced for admission to the Meeting. Previously lodged "Certificates of Appointment of Corporate Representative" will be disregarded by the Company.
7. If a representative as Power of Attorney of a shareholder is to attend the meeting, a properly executed original (or originally certified copy) of an appropriate Power of Attorney should be produced for admission to the Meeting. Previously lodged Powers of Attorney will be disregarded by the Company.

8. **Signing Instructions**

You must sign this form as follows in the spaces provided:

**Individual:** Where the holding is in one name, the holder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the shareholders should sign.

**Power of Attorney:** If you are signing under a Power of Attorney, you must lodge an original or certified photocopy of the appropriate Power of Attorney with your completed Proxy Form.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person.

If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone.

Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

9. **Lodgement of a Proxy**

This Proxy Form (and any Power of Attorney under which it is signed) must be received at the address below not later than 11.00am on Tuesday, 10 November 2009 (48 hours before the commencement of the meeting).

Any Proxy Form received after that time will not be valid for the scheduled meeting.

**Hand deliveries**

**Registries Limited  
Level 7  
207 Kent Street  
Sydney NSW 2000**

**Postal address:**

**Registries Limited  
GPO Box 3993  
Sydney NSW 2001**

**Fax number:**

**(02) 9279 0664**