

Quarterly Report

For the period ended 31 December 2014

28 January 2015

HIGHLIGHTS

Operations

- The Company continues to carry out its planned 2014 exploration program and its cost was closely monitored and controlled.
- The highlight of the exploration activities for the quarter is the discovery of primary sulphide copper mineralisation at depth in Greenmount. The one diamond hole (377m) completed during the quarter has intersected sulphide copper underneath the oxide and transitional zones with the best interval of 7m@ 1.0% Cu and 0.48g/t Au from 330m.

Corporate

- The non-renounceable rights issue announced by the Company on 8 December 2014 was closed on 23 January 2015. \$3.69 million was raised from the issue.
- The Company successfully resisted the appeal by its former managing director, Mr Renshaw and a company controlled by him, Buttmall Pty Limited, which was dismissed with cost.
- The Company continue the dialog with several parties for potential cooperation in joint development of the company's flagship White Range Project. A site visit has been made by one of the groups in Cloncurry during the quarter.

Exploration Activities Report

White Range Project

The Company's White Range project consists of three major deposits located at Greenmount, Kuridala and Young Australian plus several satellite deposits in the surrounding areas (e.g. Mt McCabe, Vulcan and Desolation) (Figure 1). The total JORC compliant resources for the project consist of 4.7Mt@ 1.1% Cu for 51,700t of contained copper metals in the measured category, 14.3Mt@ 0.8% Cu for 114,400t of contained copper metals in the indicated category and 9Mt @ 0.7% Cu for 63,000t of contained copper metals in the inferred category.

QMC's exploration strategy over the last 12 months has been focused on growing the resource base in the White Range area and exploring the deep sulphide copper potential at top ranked prospects. Exploration activities highlighted in the current quarter mainly include the completion of a 377m deep diamond hole in the Greenmount deposit and the receipt of initial encouraging assay results.

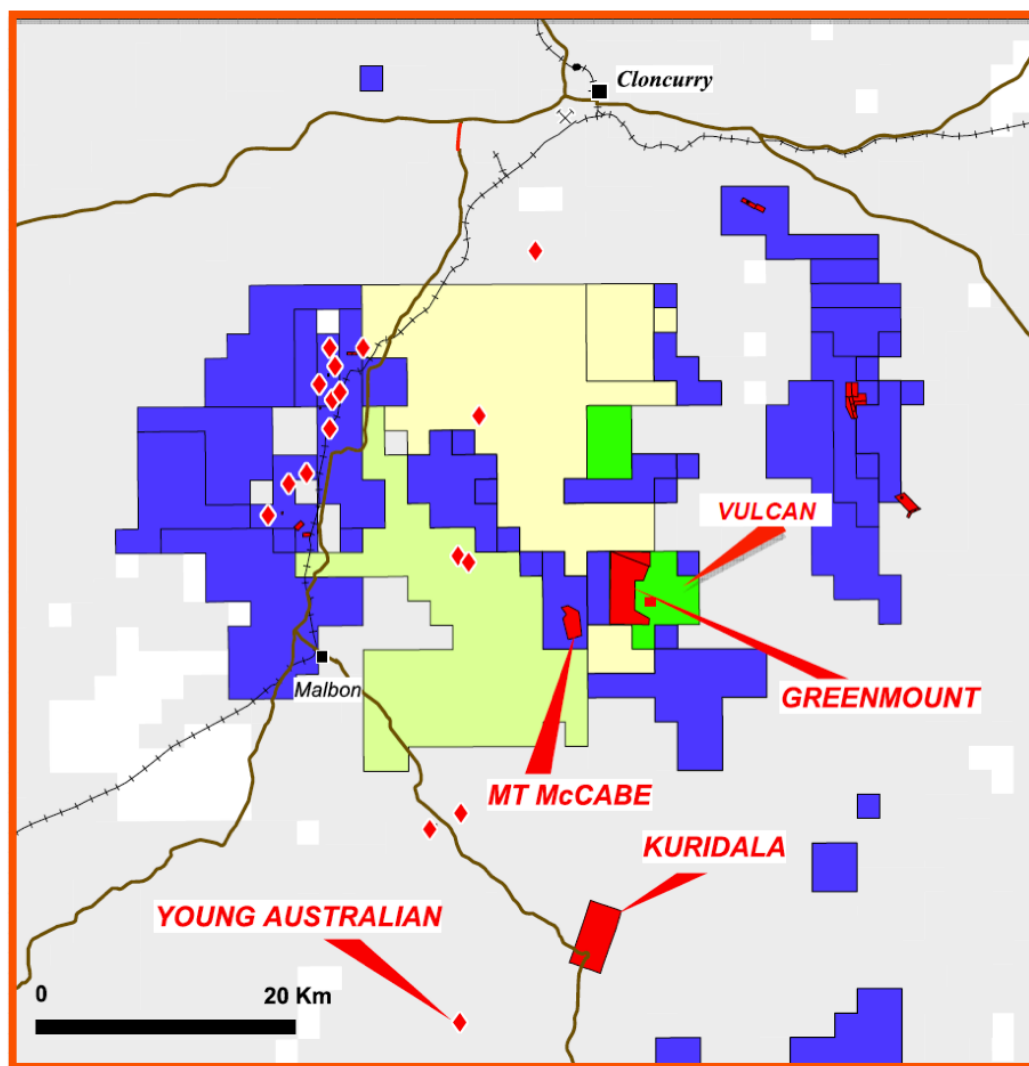


Figure 1 White Range project location plan

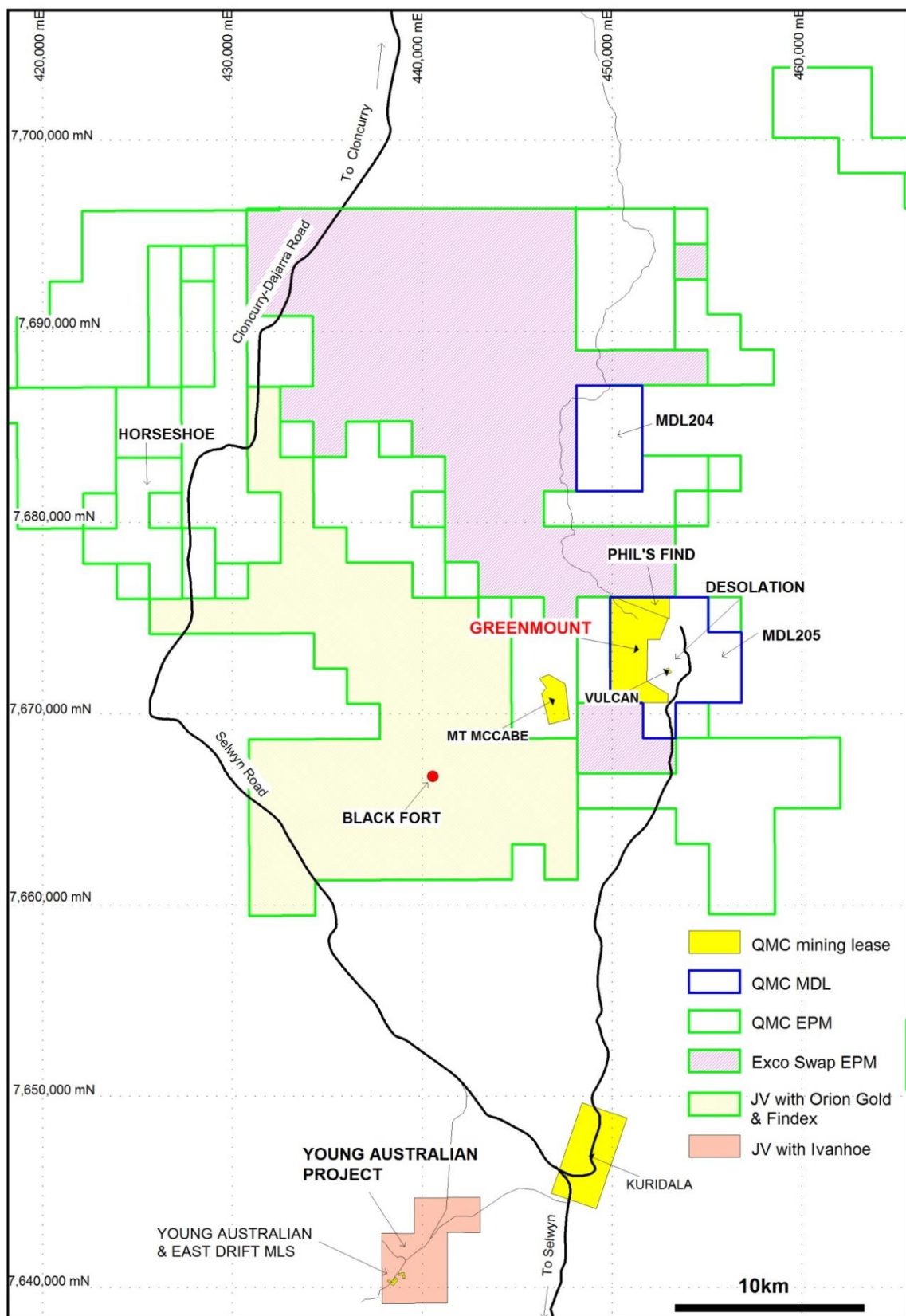


Figure 2 Regional location of Greenmount copper deposit

The Greenmount copper deposit is located 36 km south of Cloncurry, northwest Queensland (Figure 2). It is the largest single deposit within the Company's 100% owned White Range copper project and has a current JORC resource of 1.2Mt at 1.30% Cu, 0.50g/t Au and 0.07% Co in the measured category, 7.7Mt @ 0.80% Cu, 0.30g/t Au and 0.06% Co in the indicated category and 3.8Mt @ 0.60% Cu, 0.20g/t Au and 0.04% Co in the inferred category. This resource is mainly contained in the top 100m of the deposit and is dominated by oxide (malachite, azurite and chrysocolla) and transitional copper (chalcocite) minerals. There has been a long debate over the existence of primary sulphide copper underneath the transitional copper zone in Greenmount. Of the 280 holes drilled by QMC and other companies in the past 25 years at Greenmount, however, only 4 holes actually passed the 300m downhole depth.

The mineralization at Greenmount occurs as veins, stockwork and breccia zones of malachite, azurite, chalcocite and pyrite along with quartz and feldspar in the Marimo slate unit at or near the contact with the underlying Staveley Formation siltstone and sandstone. The ore body trends northwest and moderately dips towards east for a combined strike length of 1,000m and width of up to 90m.

The current drill program consists of one diamond hole (377m) cored directly from surface in order to minimize any deviation. The purpose of the drilling is to test potential sulphide mineralisation underneath the existing oxide and transitional copper mineralisation outlined by previous drilling. The hole was sited roughly in the middle of the strike length of the Greenmount orebody and approximately 250m east of the best hole QMC drilled in 2012, which returned 72m @ 2.39% Cu, 0.92g/t Au and 0.09% Co from 129m in Hole GM12RC06.

The drillhole information is summarised in Table 1 and its location is presented in Figure 3.

Table 1 Detailed information for the diamond hole completed at Greenmount

Hole ID	Easting_MGA94	Northing_MGA94	RL	Azi_Mag	Azi_MGA	Dip	Depth (m)
GM14DD01	451,466	7,675,078	220	218	224	-60	376.5

The drilling has intersected low to moderate grade primary sulphide copper mineralisation at the targeted depth (Figure 4). Highlights of the assay results include (using a 0.2% Cu cut-off; estimated true widths are approximately 80% of the drilled interval):

- **7m @ 1.0% Cu and 0.48g/t Au from 330m and**
- **5m @ 0.29% Cu and 0.09g/t Au from 318m**

The hole has also extended the known mineralisation for more than 150m down dip, which provides great room for infill drilling at upper level in the future. The copper mineralisation is characterised by sparse and intermittent chalcopyrite and pyrite veins and occasionally chalcopyrite stringers in strongly silicified and carbonate altered black slate host (Figure 5). Other copper minerals observed on the drill core include covellite and chalcocite. In addition, the host rock exhibits a broad zone of silica-carbonate alteration across the contact

between the Marimo Slate and the Staveley siltstone, which is also a subject of intense shearing and fracturing prior to copper mineralisation.

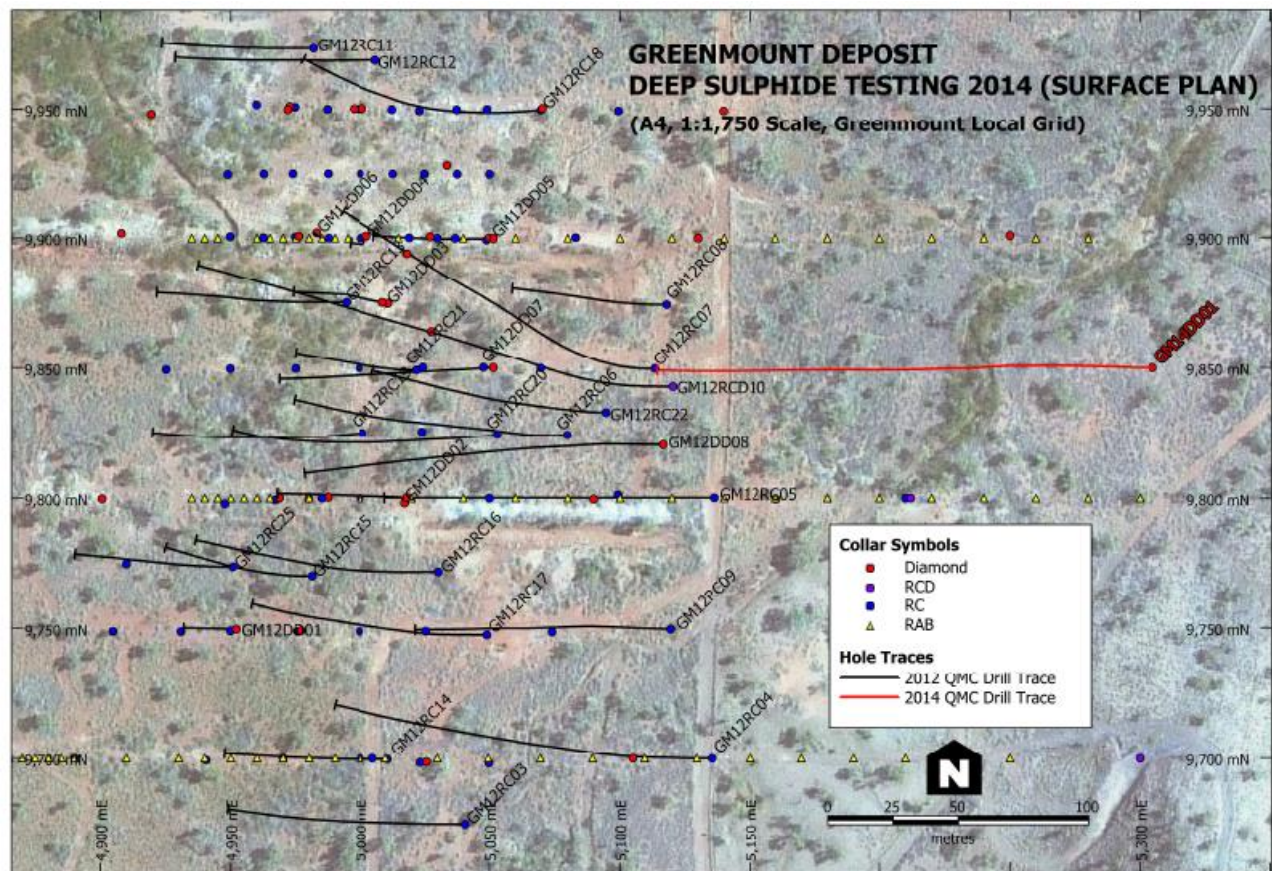


Figure 3 Location of the current diamond hole with respect to other shallow holes drilled previously in Greenmount

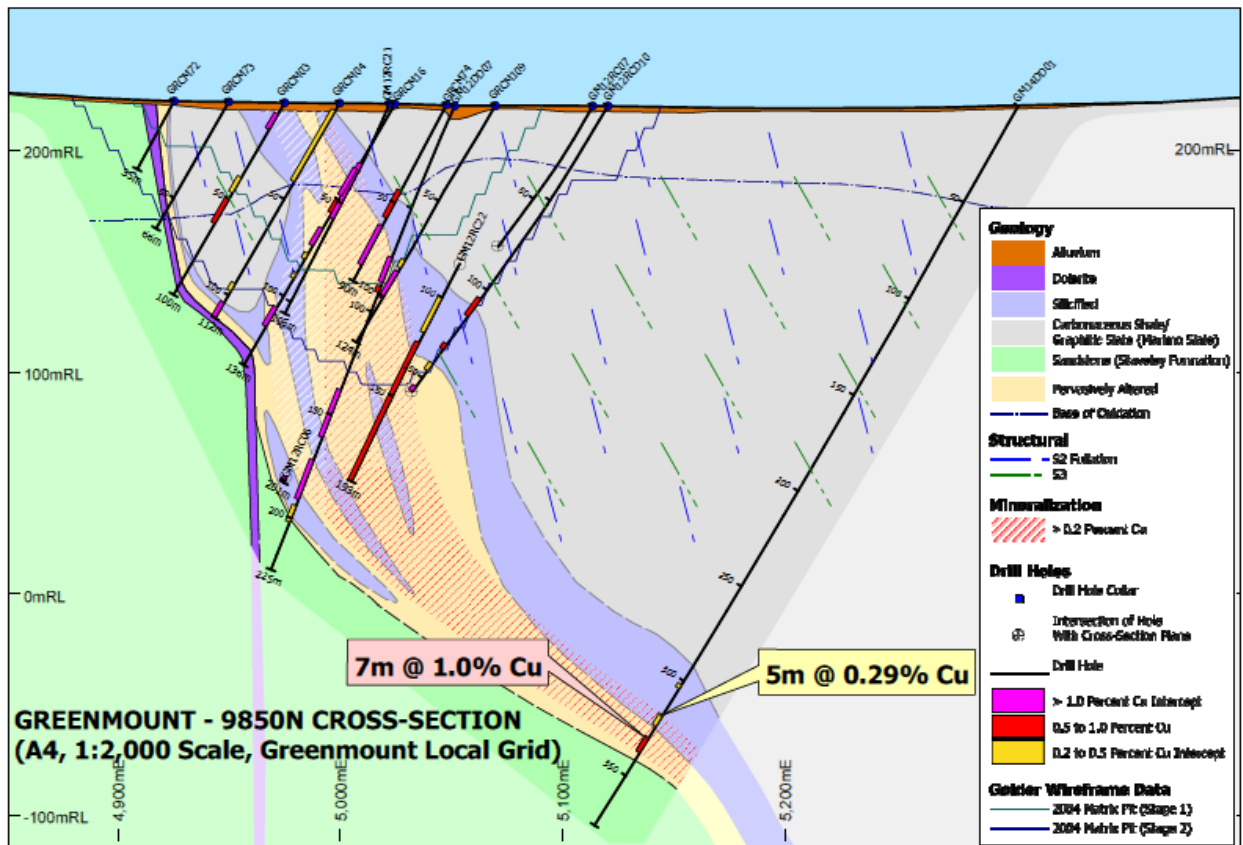


Figure 4 Cross section showing the recently completed diamond hole in Greenmount (looking northwest)



Figure 5 Chalcopyrite (pale yellow) and pyrite (yellow) veins in silicified and carbonate altered black slate host (width of core photo is 45mm)

Corporate Activities

Rights Issue

The one for one Rights Issue announced by the Company on 8 December 2014 received strong support from the shareholders. 615,665,660 new ordinary shares will be issued on 29 January 2015 and raised total \$3,693,994 before cost.

Case against former director and others

As announced to the ASX on 27 November 2014, The Company successfully resisted the appeal filed by its former Managing Director, Mr Howard Renshaw (Renshaw) and a

company controlled by him, Butmall Pty Limited (Buttmall) which appeal was heard by the Full Court of the Federal Court (Full Court) on 26 November 2014.

As also announced to the ASX on 27 November 2014, the Company's cross-appeal, in which it sought the full costs of proceedings in the Federal Court below (Federal Court Proceedings), was unsuccessful.

The Full Court ordered that both the appeal and cross-appeal be dismissed with costs and that the costs of the appeal and cross-appeal be set off.

As a result, the Orders of Perry J made on 5 May 2014 are unaltered. In summary, Justice Perry made orders requiring the repayment by Renshaw and Buttmall of termination payments in the combined sum of \$677,333.00, together with pre-judgment interest. Justice Perry also ordered that Renshaw and Buttmall pay 80% of the Company's costs of the Federal Court Proceedings.

Subsequent to the judgement, in late December 2014, the Company:

- served a creditor's statutory demand for payment of debt on Butmall (Statutory Demand); and
- applied for a bankruptcy notice to be issued to Renshaw (Bankruptcy Notice), which notice was served on Renshaw in early January 2014.

Also in early January 2015, Butmall filed and served an application to set aside the Statutory Demand. The Company is preparing to defend the application, which is expected to be heard in the first quarter of 2015.

White Range Project – joint development

The Company continue the dialog with several parties for potential cooperation in joint development of the White Range Project and exploration of the Company's highly prospective tenement holdings in Cloncurry. In order to gain more widely exposure to the investment community, a senior management team attended the China Mining Conference in October 2014 where some serious interests have been received. As part of the due diligence study, one group from south China has undertaken a site visit to the Company's project in Cloncurry in early November 2014.

For further details please contact:

Mr Eddy Wu
CEO
Tel: 02 8964 6411
Email: Admin@qmcl.com.au

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dr Guojian Xu, a Member of Australasian Institute of Mining and Metallurgy. Dr 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 2012 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 and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

Queensland Mining Corporation Limited

ABN

61109962469

Quarter ended ("current quarter")

31 December 2014

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (6 months) \$A'000
1.1	Receipts from product sales and related debtors		
1.2	Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(318) (201)	(926) (446)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	8	22
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Other (provide details if material) -GST refund -ATO GIC -Payroll & PAYG Tax paid	25 (40)	54 (8) (107)
Net Operating Cash Flows		(526)	(1,411)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets		
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 (provide details if material) -Joint Venture		10
Net investing cash flows			10
1.13	Total operating and investing cash flows (carried forward)	(526)	(1,401)

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(526)	(1,401)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.		
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (provide details if material)		
	Net financing cash flows	0	0
	Net increase (decrease) in cash held		
1.20	Cash at beginning of quarter/year to date	990	1,865
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	464	464

Payments to directors of the entity, associates of the directors, 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	71
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 Lakshman Jayaweera	
- Director fee	24
Payment to Eddy Wu	
- Director fee	25
Payment to Jun Qiu	
- Director fee	12
Payment to Joyce Wang which Joyce Wang is an alternate Director	
- Accounting and taxation services	10

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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+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

- 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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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	250
4.2 Development	
4.3 Production	
4.4 Administration	200
Total	450

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	38	36
5.2 Deposits at call		817
5.3 Bank overdraft	-	-
5.4 Other Online Saving Account	426	137
Total: cash at end of quarter (item 1.22)	464	990

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Changes in interests in mining tenements and petroleum tenements

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

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.

	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 (description)			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	+Ordinary securities	1,129,238,396	1,129,238,396	
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs			
7.5	+Convertible debt securities (description)			

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options (description and conversion factor)	Nil	Nil	<i>Exercise price</i>	<i>Expiry date</i>
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter	17,450,000		\$0.10	30/11/2014
7.11	Debentures (totals only)				
7.12	Unsecured notes (totals only)				

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 5).
- 2 This statement does /does not* (*delete one*) give a true and fair view of the matters disclosed.



Sign here:
Company secretary

Date: 28 January 2015

Print name: Pipvide Tang

+ See chapter 19 for defined terms.

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 and petroleum 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 or petroleum 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 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting 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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Appendix 1 QMC Tenement Schedule as at 31 December 2014

Tenement Name	Tenement Number	Location	Interest at Beginning Quarter	Interest at End Quarter	Acquired during Quarter	Disposed during Quarter	JV Partner/Farm-in Party
Cloncurry South	EPM 13336	NW QLD	100%	100%	-	-	
White Range #1	EPM 14148	NW QLD	100%	100%	-	-	
White Range #2	EPM 14163	NW QLD	100%	100%	-	-	
White Range #4	EPM 14475	NW QLD	100%	100%	-	-	
White Range #6	EPM 15031	NW QLD	100%	100%	-	-	
Mt Tracey	EPM 15196	NW QLD	100%	100%	-	-	
Top Bore	EPM 15520	NW QLD	100%	100%	-	-	
Tommy Creek	EPM 15706	NW QLD	100%	100%	-	-	
Duck Creek South	EPM 15718	NW QLD	100%	100%	-	-	
Kuridala South	EPM 15740	NW QLD	Exclusive exploration right	Exclusive exploration right	-	-	Exco Resources
Sunny Mount	EPM 15858	NW QLD	100%	100%	-	-	
Mt Norma	EPM 15879	NW QLD	100%	100%	-	-	
White Range Consolidated	EPM 15897	NW QLD	100%	100%	-	-	
Jessievale	EPM 16078	NW QLD	100%	100%	-	-	
Mt Brownie	EPM 16628	NW QLD	100%	100%	-	-	
Mt Sheaffer	EPM 16976	NW QLD	100%	100%	-	-	
Pigeon South	EPM 17246	NW QLD	100%	100%	-	-	
Coolullah	EPM 17247	NW QLD	100%	100%	-	-	
Pigeon North	EPM 17248	NW QLD	100%	100%	-	-	
Pigeon 3	EPM 17323	NW QLD	100%	100%	-	-	
Top Camp	EPM17602	NW QLD	51%	51%	-	-	Orion Gold/Findex
Mt Norma West	EPM 17922	NW QLD	100%	100%	-	-	
Flamingo West	EPM 18106	NW QLD	100%	100%	-	-	
Elder Creek	EPM 18286	NW QLD	100%	100%	-	-	

31 December 2014

Slaty Creek	EPM 18440	NW QLD	100%	100%	-	-	
Gold Reef Dam	EPM 18663	NW QLD	100%	100%	-	-	
WEDGETAIL	EPM 18912	NW QLD	100%	100%	-	-	
Elder Creek East	EPM 19149	NW QLD	100%	100%	-	-	
Turpentine Creek	EPM 19150	NW QLD	100%	100%	-	-	
Weatherly Creek South	EPM 19165	NW QLD	100%	100%	-	-	
Surprise Creek	EPM 19166	NW QLD	100%	100%	-	-	
Weatherly Creek North	EPM 19167	NW QLD	100%	100%	-	-	
Anitra Osborne	EPM 19183	NW QLD	100%	100%	-	-	
Pegmont South	EPM 19184	NW QLD	100%	100%	-	-	
COPPER CANYON	MDL 204	NW QLD	100%	100%	-	-	
GREENMOUNT	MDL 205	NW QLD	100%	100%	-	-	
MOUNT NORMA	ML2506	NW QLD	100%	100%	-	-	
SOUTHERN CROSS	ML2510	NW QLD	100%	100%	-	-	
ANSWER	ML 2517	NW QLD	100%	100%	-	-	
WINSTON CHURCHILL	ML 2518	NW QLD	100%	100%	-	-	
VULCAN	ML 2519	NW QLD	100%	100%	-	-	
SALLY	ML 2535	NW QLD	100%	100%	-	-	
DULCE	ML 2537	NW QLD	100%	100%	-	-	
BELFAST	ML 2540	NW QLD	100%	100%	-	-	
BELGIUM	ML 2541	NW QLD	100%	100%	-	-	
JACKLEY	ML 2543	NW QLD	100%	100%	-	-	
DULCE EXTENDED NO 2	ML 2544	NW QLD	100%	100%	-	-	
DANDY	ML 2548	NW QLD	100%	100%	-	-	
TRUMP	ML 2549	NW QLD	100%	100%	-	-	
MOUNT NORMA NO 2	ML 2550	NW QLD	100%	100%	-	-	
MOUNT NORMA NO 3	ML 2551	NW QLD	100%	100%	-	-	
GILDED ROSE	ML 2709	NW QLD	100%	100%	-	-	
BUTTON	ML 2711	NW QLD	100%	100%	-	-	
GILDED ROSE EXTENDED EAST	ML 2713	NW QLD	100%	100%	-	-	
GILDED ROSE EXTD WEST	ML 2718	NW QLD	100%	100%	-	-	

GILT EDGE EXTENDED EAST 1	ML 2719	NW QLD	100%	100%	-	-	
MT FRED A	ML 2741	NW QLD	100%	100%	-	-	
EVENING STAR	ML 2742	NW QLD	100%	100%	-	-	
EVENING STAR NORTH EXT	ML 2750	NW QLD	100%	100%	-	-	
MT FRED A EXTENDED	ML 2752	NW QLD	100%	100%	-	-	
EVENING STAR NORTH	ML 2763	NW QLD	100%	100%	-	-	
NEW DOLLAR	ML 2777	NW QLD	100%	100%	-	-	
HORSESHOE	ML 2778	NW QLD	100%	100%	-	-	
MOUNTAIN MAID	ML 2779	NW QLD	100%	100%	-	-	
TOP CAMP NO 5 (TWO MILE)	ML 2788	NW QLD	100%	100%	-	-	
LITTLE BEAUTY	ML 7498	NW QLD	100%	100%	-	-	
YOUNG AUSTRALIAN 2	ML 7511	NW QLD	100%	100%	-	-	
YOUNG AUSTRALIAN	ML 7512	NW QLD	100%	100%	-	-	
YOUNG AUSTRALIAN 2	ML 90081	NW QLD	100%	100%	-	-	
MT MCCABE	ML 90082	NW QLD	100%	100%	-	-	
STUART	ML 90083	NW QLD	100%	100%	-	-	
YOUNG AUSTRALIAN EXTENDED	ML 90084	NW QLD	100%	100%	-	-	
CHINAMEN	ML 90088	NW QLD	100%	100%	-	-	
AUSTRALIAN	ML 90099	NW QLD	100%	100%	-	-	
NEW SNOW BALL	ML 90103	NW QLD	100%	100%	-	-	
MOSSY'S DREAM	ML 90104	NW QLD	100%	100%	-	-	
GREENMOUNT	ML 90134	NW QLD	100%	100%	-	-	
EVA	ML 90147	NW QLD	100%	100%	-	-	
MOUNT TIMBEROO	ML 90148	NW QLD	100%	100%	-	-	
MT MCNAMARA	ML 90149	NW QLD	100%	100%	-	-	
PHIL'S FIND	ML 90161	NW QLD	100%	100%	-	-	
MT NORMA SURROUND 1	ML 90172	NW QLD	100%	100%	-	-	
MT NORMA SURROUND 2	ML 90173	NW QLD	100%	100%	-	-	
MT NORMA	ML 90174	NW QLD	100%	100%	-	-	

SURROUND 3							
MT NORMA SURROUND 4	ML 90175	NW QLD	100%	100%	-	-	
MT NORMA SURROUND 5	ML 90176	NW QLD	100%	100%	-	-	
MT DEBBIE	MC 4348	NW QLD	100%	100%	-	-	
MT DEBBIE 2	MC 4349	NW QLD	100%	100%	-	-	
MT DEBBIE NO 1	MC 4350	NW QLD	100%	100%	-	-	

2012 JORC Code

Section 1 – Sampling Techniques and Data

Criteria	Explanation
Drilling Techniques – Greenmount	<ul style="list-style-type: none">Hole was drilled to a depth of 87 m using HQ, and from 87m to 376.5m using NQ2 gear. A heavily modified track mounted Coretech drill rig was used.
Sampling Techniques	<ul style="list-style-type: none">Core was marked up on site.An initial XRF-based analysis of the core was conducted, with 3 readings for Cu and As being taken every metre (one reading every 25cm) and averaged. This, in combination with visible mineralization, was used to determine which interval of drill core would be selected for lab assay.The selected interval (all NQ2) was cut into half core using a manual core saw at the company's site office (with the duplicate sample being cut quarter core)Samples were taken at 1 metre intervals.Sample weight ranges from 2-3.5kg eachSamples were pulverised to produce 30g charge for four acid digest for multi-elements and fire assay for gold
Logging	<ul style="list-style-type: none">Core was oriented using a Coretell Orishot device, with orientation lines being marked onto the core after each drill run was recovered, prior to the core being loaded into the core tray. Ori markings were cross checked between runs to ensure accuracy and confidence.RQD and orientation data was logged on site.Core was logged both wet and dry at 1 metre intervals both on site and at the company's exploration office. With both qualitative and quantitative data being recorded (Weathering, lithology, colour, alteration, ore and gangue mineralogy, and their approximate percentages).
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none">XRF analysis was conducted on all drill samples using an Innovex Delta model handheld XRF set in 'Soil' mode.Assays were conducted by ALS Global, Townsville laboratory, using standard procedures and standard laboratory checks, ME-ICP61 and Au-AA25.

	<ul style="list-style-type: none"> • Sample preparation is consistent with industry standard practice. • The sample sizes are appropriate for the material being sampled.
Quality of assay data and laboratory tests	<p>Sampling and assaying quality assurance and quality control (QAQC) procedures were implemented by the Company for all the drilling programs undertaken in Cloncurry. They included:</p> <ul style="list-style-type: none"> • Blind certified OREAS standards were inserted 1 in every 25 samples, based on the assigned sample number. • Blanks and field duplicates were included at a ratio of 1:50, based on the assigned sample number. Duplicates were sampled from quarter core. • OREAS standards were sourced from Ore Research & Exploration Ltd • A total of 2 selected standards, 1 duplicate and 1 blank were used for the Greenmount 2014 drilling program with a total of 42 samples selected for lab analysis.
Verification of sampling and assaying	<ul style="list-style-type: none"> • Results have been checked and verified by several QMC personnel. • No twinned holes were drilled during the program. • No adjustments have been made to the assay data.
Location of data points	<ul style="list-style-type: none"> • The hole collar was located with the use of a DGPS with sub-metre resolution and marked by star pickets with pink flagging tape. • Downhole surveys were taken every 30m using a digital Camteq Proshot instrument • Co-ordinates are recorded in grid system MGA94, Zone 54, and later converted into the local mine grid for database and software use. • No significant difference between the LiDAR topography data and existing collar surveys and DGPS readings is evident.
Data spacing and distribution	<ul style="list-style-type: none"> • Initial drilling at 50 x 20 m spacing at Greenmount has since been closed down to 25 x 20 m spacing over an area of roughly 600 m north-south and 200m east-west. • The hole drilled during this program was

	designed to test the extent of mineralization at depth, and was therefore drilled 190 m east of the easternmost hole on the 9,850N line (local grid)
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • Drilling has been planned using a local grid established at a rotation of 52° from true north. • The hole was drilled to plunge 60°, at a trend of 270° (due west on the local grid) • The local grid and typical drilling angle provide an intersection angle that is the best practical arrangement for cross cutting the mineralization at Greenmount.
Sample security	<ul style="list-style-type: none"> • Samples were placed into numbered calico bags, which were packed in batches into numbered polyweave bags and then wrapped onto pallet for transport • Samples were transported to ALS in Townsville by NQX
Audits or reviews	<ul style="list-style-type: none"> • Audit of sampling techniques and data was performed • In-house review of QAQC for laboratory assays was undertaken

Section 2 – Reporting of Exploration Results

Criteria	Explanation
Mineral Tenement and Land Tenure Status	<ul style="list-style-type: none"> • The Greenmount deposit lies within a granted mining lease ML 90134 which is held by White Range Mines Pty Ltd (a wholly owned subsidiary of the Queensland Mining Corporation Ltd.) The mining lease is valid for copper, gold, silver and cobalt. It falls due on the 30th of June 2014 and covers 1,207 hectares of ground. A renewal application is currently being processed by the Mines Department.
Exploration done by other parties	<ul style="list-style-type: none"> • Little is known of the early Greenmount exploration and mining history. Small-scale mining has taken place from a shaft sunk to around 30 feet (9.1 m) and there are numerous small surface pits and trenches nearby. The production from these workings is unknown. Significant previous exploration covering the Greenmount deposit includes: • 1954 – National Lead Co. completed one

	<p>drill hole</p> <ul style="list-style-type: none"> • 1983 Carpentaria Exploration Co. Pty. Ltd. Completed mapping and 72 RAB holes • 1988 – 1990 Valdora Minerals and Homestake explored a group of tenements with mapping, ground magnetic surveying, soil and stream sampling, 352 RAB holes, 66 RC holes totalling 6,388 m (includes RC pre-collars) and 12 diamond drill-holes totalling 1,304 m of coring. • 1996-1999 Majestic completed a feasibility study as well as Two RC drilling phases of 61 holes totalling 6,589.5 m and 5 diamond holes totalling 578.80m • 2000-2004 Matrix undertook additional infill RC drilling. Diamond drilling was primarily undertaken for geotechnical and metallurgical purposes. The infill RC drilling included 40 holes totalling 3,134 m with diamond comprising 24 holes totalling 2,016m. The diamond drilling was made up of 12 holes (958 m) for metallurgical sampling, 2 holes (140 m) for twinning of earlier RC holes and 10 holes (198 m) for geotechnical data. The 2004 drilling database was used for the White Range feasibility study and updated with additional estimates in 2010. • 2010 – 2013 Queensland Mining Corporation undertook further infill RC drilling, with diamond drilling conducted for metallurgical and geotechnical purposes. Infill RC drilling consisted of 30 holes (including 2 RC pre-collars) totalling 4,951 m. Diamond drilling consisted of 6 metallurgical test holes (558.45 m) and 4 resource/geotechnical holes totalling 807.4 m (including two diamond tails).
Geology	<ul style="list-style-type: none"> • The structurally controlled black shale hosted mineralisation is centred on an alteration and veining zone proximal to the Staveley/Marimo contact. The style of mineralisation and structural control are within that expected within the Mt Isa Inlier and similar to other deposits in the Marimo Basin.