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ASX Market Announcement

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Encouraging Primary Sulphide Copper Mineralisation Intersected in Greenmount Deep Diamond Drilling

Queensland Mining Corporation Limited (**ASX: QMN**) is pleased to announce that it has received assay results from the deep diamond drilling program completed recently at the Greenmount deposit within the Company's flagship White Range project. The single diamond hole has intersected broad sporadic primary sulphide copper mineralisation at the targeted depth. Highlights from the drill 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 Greenmount deposit is located approximately 35km south-southwest of Cloncurry and is the largest single resource for the Company's White Range project (Figure 1). The current JORC compliant resource stands at 1.2Mt@ 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. Such a 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, only 4 holes actually passed the 300m downhole depth.

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 2.

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 3). 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 4). 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.

The Company is encouraged by the discovery of primary sulphide copper mineralisation at depth in Greenmount. The technical team will utilise the improved geological understanding obtained from this drill program to guide the search of economic copper deposits in the White Range area.

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Competent Person's Statement:

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.

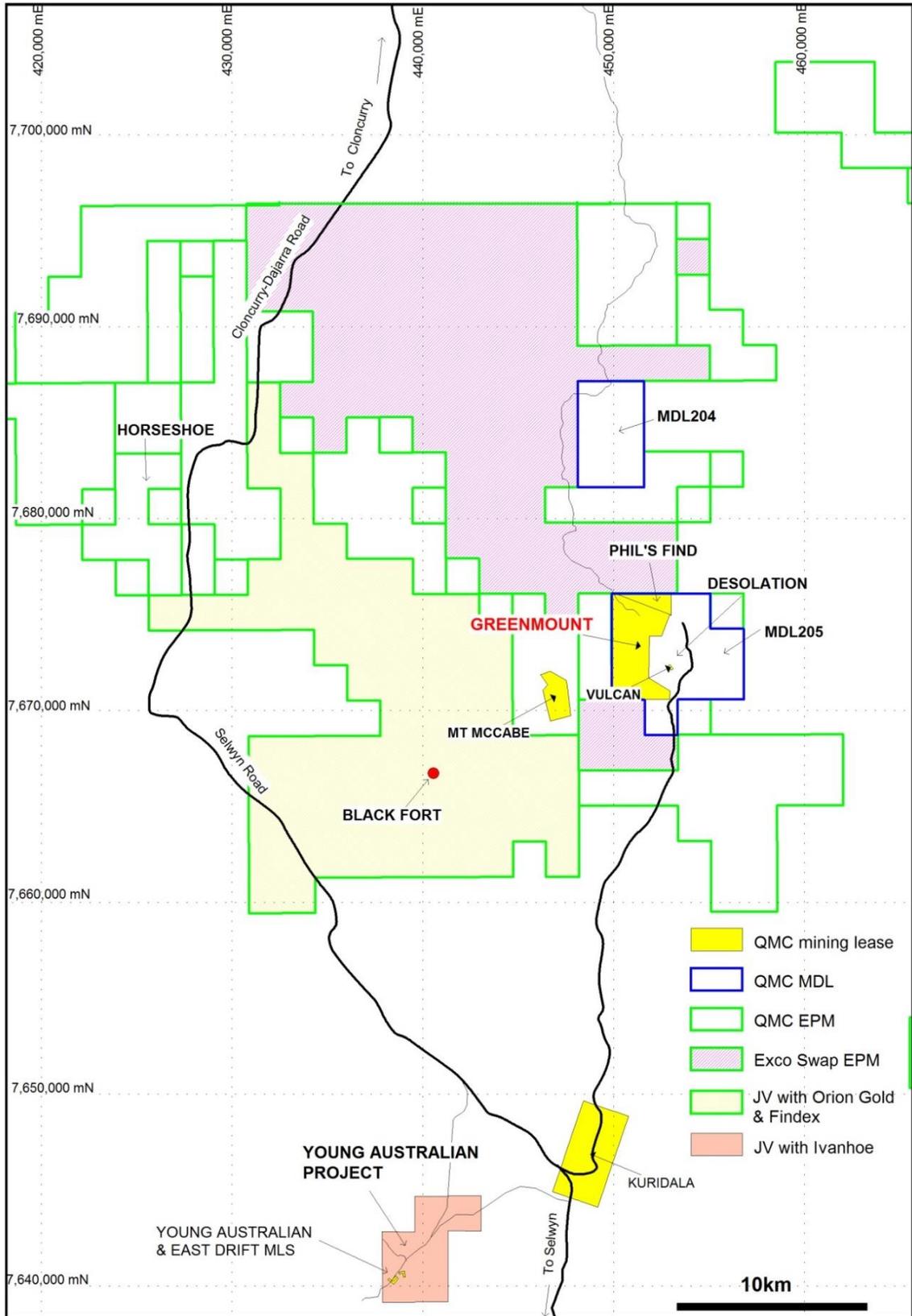


Figure 1 Regional location of the Greenmount deposit

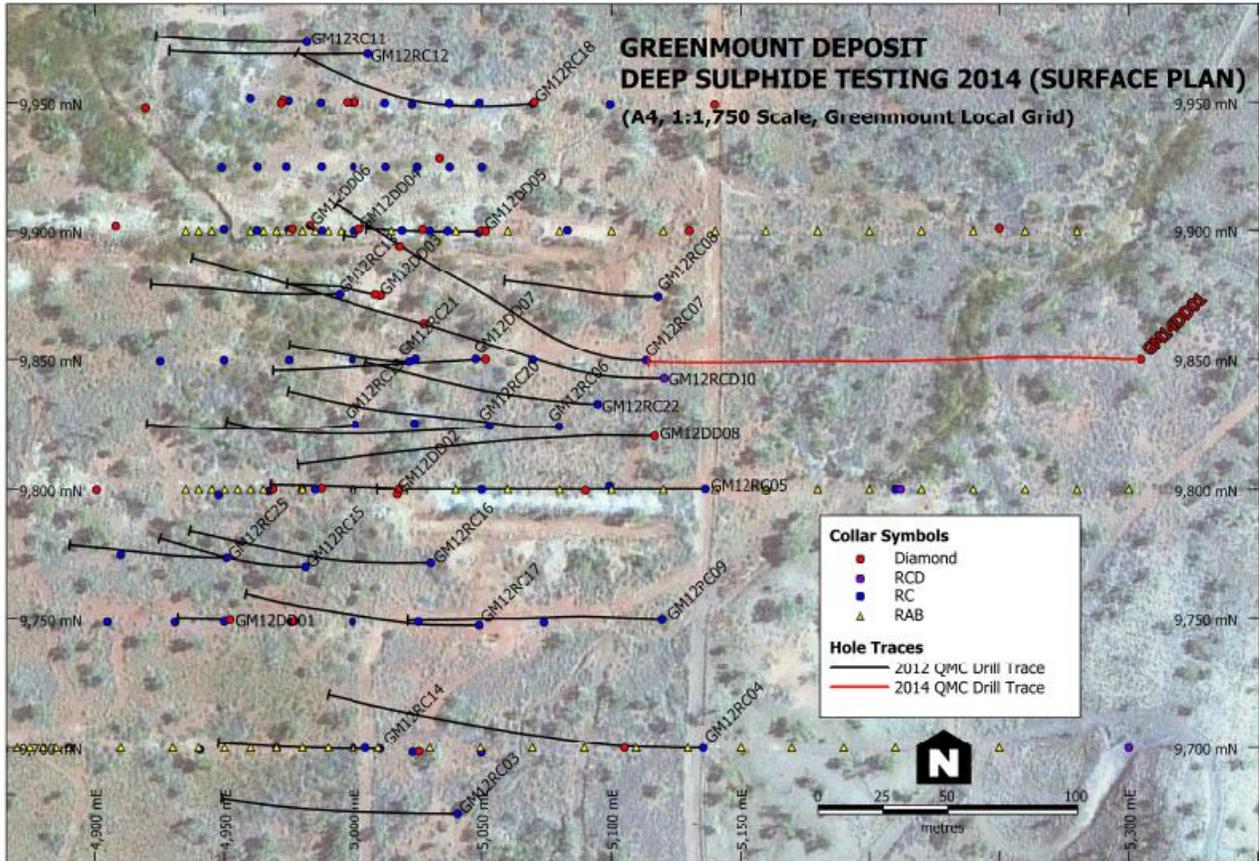


Figure 2 Location of the current diamond hole with respect to other shallow holes drilled previously in Greenmount

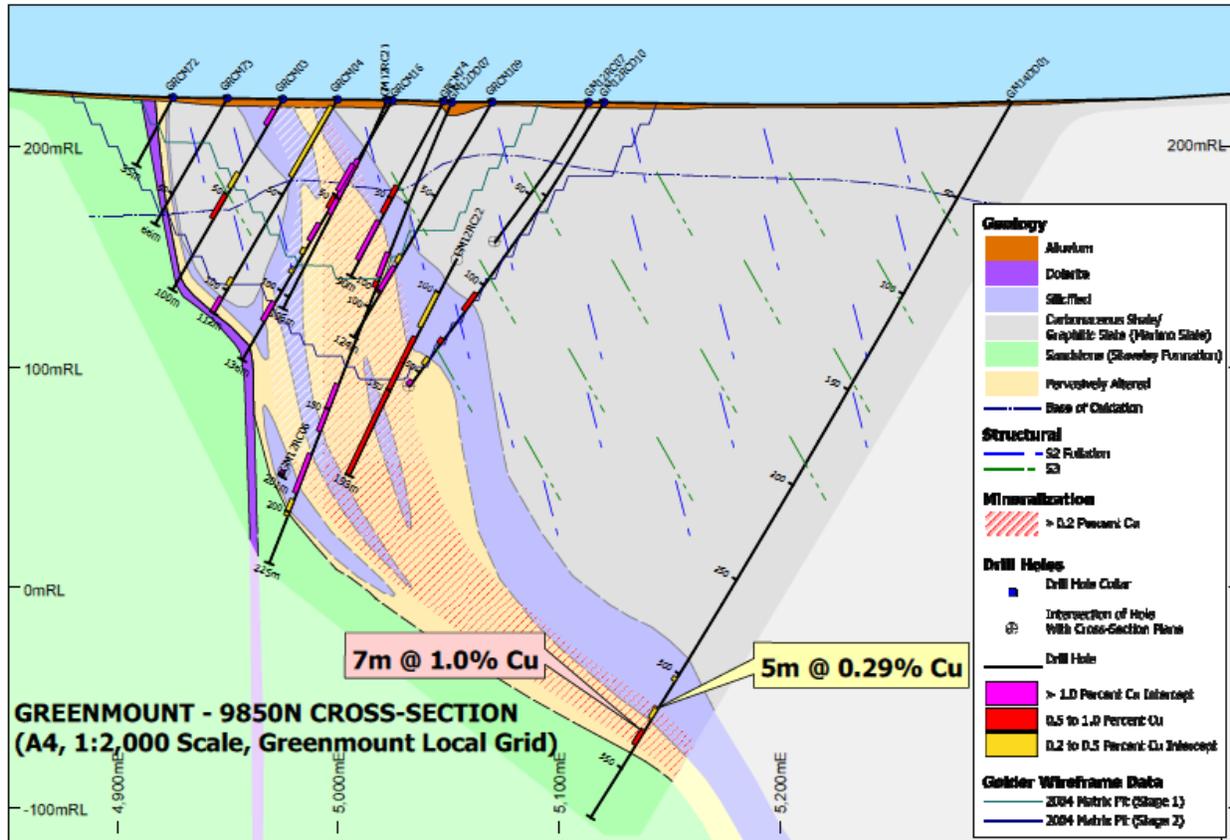


Figure 3 Cross section through the current diamond hole in Greenmount



Figure 4 Chalcopyrite (pale yellow) and pyrite (yellow) veins in silicified and carbonate altered black slate host (width of core photo is 45mm)

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 meter (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 each • Samples 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 |

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| | <p>procedures and standard laboratory checks, ME-ICP61 and Au-AA25.</p> <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 Cameq 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 |

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| | <p>to 25 x 20 m spacing over an area of roughly 600 m north-south and 200m east-west.</p> <ul style="list-style-type: none"> 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 |
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| 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- |

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| | <p>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:</p> <ul style="list-style-type: none">• 1954 – National Lead Co. completed one drill hole• 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 |
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|---------|---|
| | 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. |