

**Queensland Mining Corporation**  
LIMITED



ABN 61 109 962 469  
Level 24  
Royal Exchange Building  
56 Pitt Street  
SYDNEY NSW 2000 AUSTRALIA  
GPO Box 4876  
SYDNEY NSW 2001 AUSTRALIA  
TELEPHONE 61 2 9375 0138  
FACSIMILE 61 2 9247 4844  
EMAIL admin@qmcl.com.au

**ASX ANNOUNCEMENT**

23<sup>rd</sup> December 2009

- Queensland Mining Corp pays A\$5M for White Range Copper project near Cloncurry
- Acquisition from liquidator of Matrix Metals to be completed by 2Q 2010
- Feasibility study completed to bankable status, concluded The White Range project was economic in 2005 at a copper price less than half of the current price
- The study was based on 15,000tpa SX/EW operation over a period of 7.5years.
- White Range contains oxide and transition ore of 14.842 million tonnes at an average grade of 1.1% copper for 163,000tonne of contained copper
- The in-situ value at today's copper price is over AUD\$1.27billion
- QMC's mining leases within this area will support the oxide resources available to a centralised plant and the Mt Norma Copper Processing Plant following planned drilling in the next quarter to establish resource definitions

Queensland Mining Co. Ltd. (**ASX: QMN**) today announced it has entered into a formal asset sale agreement for the purchase of White Range Project and associated assets and tenements from the liquidators of Matrix Metals Limited ("Matrix"). These assets are south of the Mt Isa-Cloncurry Road (with the exception of the Wee McGregor tenements), and being areas contiguous with the many Mining Leases and other areas held by QMC. (Refer to the attached tenement location map)

The Agreement with final settlement anticipated by the end of April 2010, is for a purchase price of \$5 million and was entered into and completed on 22<sup>nd</sup> December 2009.

The assets being acquired comprise of the following JORC-compliant resources categories of measured, indicated and inferred:

- Greenmount - 7.97 Mt @ 1.0 Cu - 0.3% cut off,
- Kuridala - 3.50 Mt @ 1.38% Cu - 0.5% cut off,
- Mt McCabe - 1.69 Mt @ 1.24% Cu - 0.5% cut off,
- Vulcan - 0.46 Mt @ 1.1% Cu - 0.5% cut off,
- Stuart - 1.22 Mt @ 1.1% Cu – 0.5% cut off

Total: 14.842 Mt of oxide and transitional zone ore

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The total areas of the mining leases are 2,493 hectares and, in addition, are supported by two mineral development licenses, namely Copper Canyon and Greenmount for a total area of 5,955 hectares.

Significant Exploration Permit for Minerals surround and support these MLs and QMC's MLs at Gilded Rose Gold Mine, the Mt Norma Copper Mine and the Mt Freda Gold Mine.

Managing Director, Howard Renshaw, said: "This White Range acquisition represents a major milestone in the transition of QMC into a major producing entity enabling QMC to become a strategic player in the fast-growing Cloncurry mineral belt."

"Matrix had already completed a bankable feasibility study on the White Range Copper Project and concluded in 2005 that the project was economically based on the then prevailing copper price of US\$3,160 pt, which is significantly below the current market price today which is US\$6,875 pt," Mr Renshaw said.

"While Matrix did not develop the project due to its focus on its Leichhardt Copper Project, the White Range leases are contiguous with many of QMC's projects that are now the subject of advanced drilling programmes," he added.

"Feasibility work at White Range has continued, with an increase in resources and completion of various technical and economic assessments. In particular, the Vulcan resource has the capacity, in the immediate future, to supply oxide ore to QMC's Mt Norma copper processing plant," Mr Renshaw said.

"While White Range has the potential to be a highly valuable copper project in its own right, QMC is also aware of the considerable opportunities and economies of scale presented to it by combining this asset with non-QMC projects nearby," Mr Renshaw said.

"Ivanhoe Australia Limited (**Ivanhoe**) announced on the 10<sup>th</sup> December 2009, a 35% increase in the size of the Mt Dore copper deposit some 35km south of QMC's project area, as well as their intention to establish an SX/EW copper processing operation. On the 14<sup>th</sup> December 2009, Ivanhoe announced significant intersections of copper, gold and cobalt mineralisation from drilling at the Triga prospect south of Greenmount in a similar geological setting," he said.

"QMC's Board remains confident that this acquisition together with its forthcoming drilling program along with the opportunity of mine development and production at its various operational sites. should provide significant shareholder value in the near to medium term," Mr Renshaw said.

For more information, please contact:

**Media**

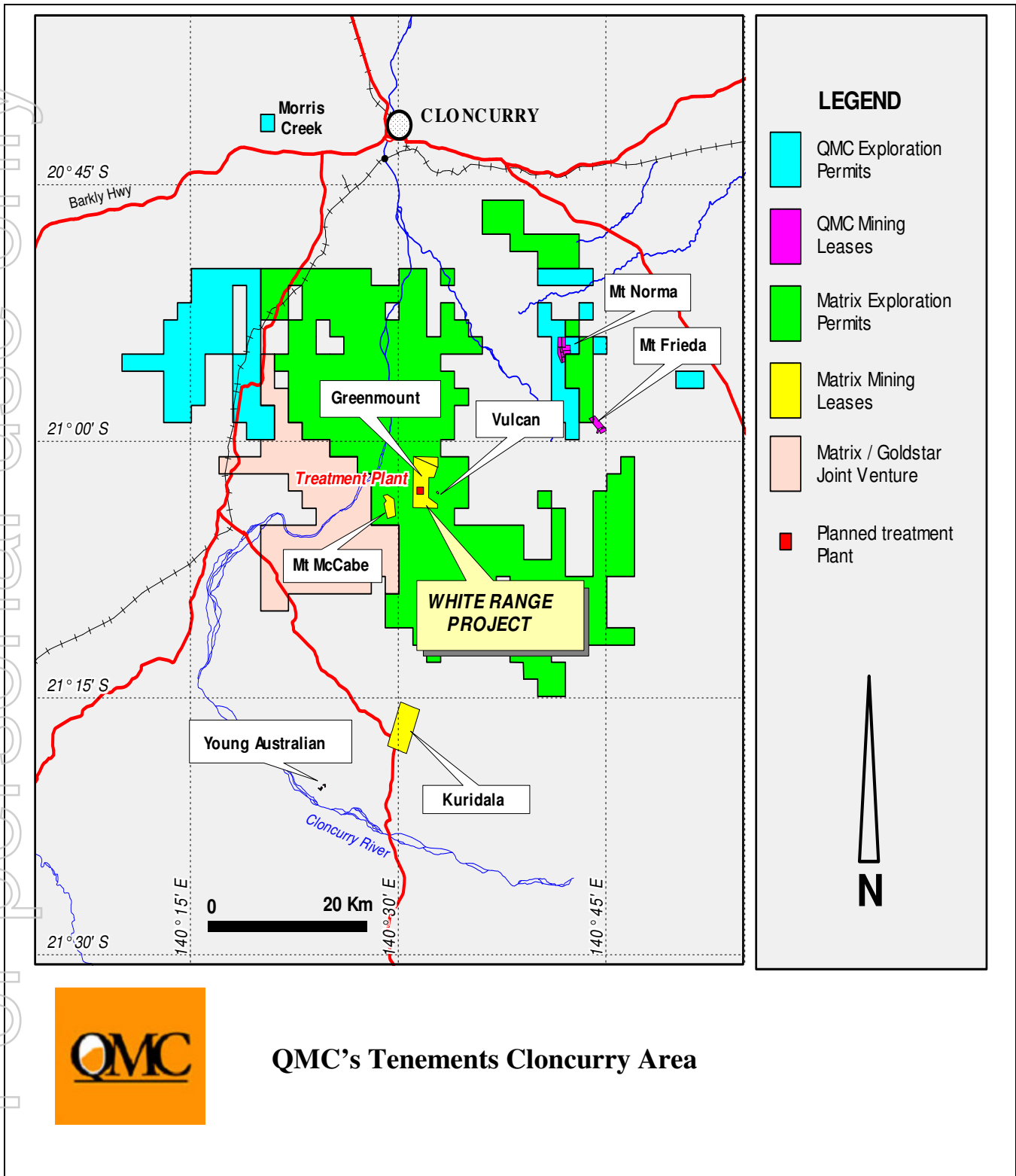
P&L Corporate Communications  
61-2 9241 6044

**Investors**

Howard Renshaw  
Queensland Mining Corp  
61-2 9375 0138



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**QMC's Tenements Cloncurry Area**