Queensland Mining Corporation (ASX:QMN) Announces Capital Raising of A$1.5 Million from Placement to Tulla Resources

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Sydney, Australia (ABN Newswire) - Australian copper and gold explorer and developer Queensland Mining Corporation Limited (ASX:QMN) (QMC) announces an equity capital raising of A$1,551,000 from the placement of 28,200,000 ordinary shares to the Company's major shareholder, Tulla Resources Group Pty Limited ('Tulla Resource'), at a price of A$0.055 per share.

Proceeds from the Placement will be used to provide further working capital for the Company.

'QMC is delighted that our largest shareholder, Tulla Resources, continues to support the Company in providing working capital to enable us to continue with the development of our exploration drilling program and the development of the White Range Project.

'It is certainly a considered vote of confidence in QMC's opportunities to grow its JORC resources, primarily in copper. This is timely for QMC and the financial commitment of Tulla Resources is a demonstration that our major shareholder is entirely supportive of our strategy and vision for the future success of the Company,' said Howard Renshaw, the Managing Director of QMC.

Summary of capital raising

Key points:

1. QMC has arranged a placement of 28.2 million shares to existing shareholder Tulla Resources to raise A$1,551,000.

2. The placement shares have been issued at 5.5 cents per share.

3. The placement shares will rank equally in every respect with all issued ordinary shares

4. QMC will issue Tulla Resources with 1 unlisted option for every 3 placement shares exercisable on or before 30 November 2014 at an exercise price of 10 cents.

5. An arrangement fee of A$100,000 is payable to Tulla Resources.

6. Following the allotment of the placement shares Tulla Resources will own 50,303,933 of the 430,797,477 ordinary shares of QMC, which equates to approximately 11.68% of the expanded capital of the Company. Marley Holdings Pty Ltd is an associated company of Tulla Resources and holds 4,080,000 shares. The total controlling interest of Tulla Resources is approximately 12.62% of QMC.

Please follow the link to view Appendix 3B:
http://media.abnnewswire.net/media/en/docs/ASX-QMN-657348.pdf

About Queensland Mining Corporation:

Queensland Mining Corporation Ltd ('QMC') (ASX:QMN) is focused on the exploration and development of its suite of copper and gold projects in the Cloncurry region of northwest Queensland.

QMC is confident that early cash flow can be achieved from its Flamingo Copper Project and the Mount Freda / Gilded Rose Gold Projects. In conjunction with this development, high impact exploration is being undertaken for large IOCG style deposits (e.g. Ernest Henry and Olympic Dam) on the company’s Morris Creek and Jessievale properties.

The Cloncurry south project area includes the White Range Project has provided QMC with a large JORC compliant resource, that will provide the basis for a long life mining operation in the Cloncurry region. This purchase offers synergies with the existing QMC mining lease and exploration portfolio and ensures that the company will achieve its goal of being a major mining entity within the short to medium term.

Source:

Queensland Mining Corporation

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